## SENATE BILL NO. 250-SENATORS TOWNSEND AND O'CONNELL

MARCH 10, 2003

## Referred to Committee on Commerce and Labor

SUMMARY—Revises various provisions relating to regulated businesses and professions. (BDR 57-835)

FISCAL NOTE: Effect on Local Government: No. 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.

AN ACT relating to regulated businesses and professions; enacting certain provisions that are applicable to all regulatory bodies that regulate occupations or professions in title 54 of NRS; providing that certain records of a regulatory body are public records; revising provisions relating to certain consent and settlement agreements; enacting provisions relating to attorney's fees and costs; establishing and revising various powers and duties of the Board of Medical Examiners and the State Board of Osteopathic Medicine; making various changes regarding the licensure of certain physicians; revising the provisions governing the filing and approval of rates of certain insurers; making various changes relating to policies of malpractice insurance; creating the Critically Impacted Medical Specialties Subsidy Fund; providing for the distribution of subsidies to certain physicians to pay or defray the cost of their malpractice insurance under certain circumstances; requiring the Commissioner of Insurance to perform certain duties relating to policies of malpractice insurance; providing penalties; and providing other matters properly relating thereto.

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



- **Section 1.** Chapter 622 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 11, inclusive, of this act
- Sec. 2. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this act have the meanings ascribed to them in those sections.
- Sec. 3. "License" mean any license, certificate, registration, permit or similar type of authorization issued by a regulatory body.
- Sec. 4. "Licensee" means a person who holds any license, certificate, registration, permit or similar type of authorization issued by a regulatory body.
  - Sec. 5. "Regulatory body" means:

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- 1. Any agency, board or commission which has the authority to regulate an occupation or profession pursuant to this title; and
- 2. Any officer of an agency, board or commission which has the authority to regulate an occupation or profession pursuant to this title.
- Sec. 6. In regulating an occupation or profession pursuant to this title, each regulatory body shall carry out and enforce the provisions of this title for the protection and benefit of the public.
- Sec. 7. If any provision of this title requires a regulatory body to disclose information to the public in any proceeding or as part of any record, such a provision does not apply to any personal medical information or records of a patient that are confidential or otherwise protected from disclosure by any other provision of federal or state law.
- Sec. 8. 1. The provisions of NRS 241.020 do not apply to proceedings relating to an investigation conducted to determine whether to proceed with disciplinary action against a licensee, unless the licensee requests that the proceedings be conducted pursuant to those provisions.
- 2. If the regulatory body decides to proceed with disciplinary action against the licensee, all proceedings that are conducted after that decision and are related to that disciplinary action are subject to the provisions of NRS 241.020.
- Sec. 9. 1. Except as otherwise provided in this section, a regulatory body may not enter into a consent or settlement agreement with a person who has allegedly committed a violation of any provision of this title which the regulatory body has the authority to enforce, any regulation adopted pursuant thereto or any order of the regulatory body, unless the regulatory body discusses and approves the terms of the agreement in a public meeting.



2. A regulatory body that consists of one natural person may enter into a consent or settlement agreement without complying with the provisions of subsection 1 if:

- (a) The regulatory body posts notice in accordance with the requirements for notice for a meeting held pursuant to chapter 241 of NRS and the notice states that:
- (1) The regulatory body intends to resolve the alleged violation by entering into a consent or settlement agreement with the person who allegedly committed the violation; and
- (2) For the limited time set forth in the notice, any person may request that the regulatory body conduct a public meeting to discuss the terms of the consent or settlement agreement by submitting a written request for such a meeting to the regulatory body within the time prescribed in the notice; and
- (b) At the expiration of the time prescribed in the notice, the regulatory body has not received any requests for a public meeting regarding the consent or settlement agreement.
- 3. If a regulatory body enters into a consent or settlement agreement that is subject to the provisions of this section, the agreement is a public record.
- 4. The provisions of this section do not apply to a consent or settlement agreement between a regulatory body and a licensee that provides for the licensee to enter a diversionary program for the treatment of alcohol, chemical or substance abuse or dependency.
- Sec. 10. 1. A regulatory body may recover from a person reasonable attorney's fees and costs that are incurred by the regulatory body as part of its investigative, administrative and disciplinary proceedings against the person if the regulatory body:
- (a) Enters a final order in which it finds that the person has violated any provision of this title which the regulatory body has the authority to enforce, any regulation adopted pursuant thereto or any order of the regulatory body; or
- (b) Enters into a consent or settlement agreement in which the regulatory body finds or the person admits or does not contest that the person has violated any provision of this title which the regulatory body has the authority to enforce, any regulation adopted pursuant thereto or any order of the regulatory body.
  - 2. As used in this section, "costs" means:
  - (a) Costs of an investigation.
- (b) Costs for photocopies, facsimiles, long distance telephone calls and postage and delivery.
  - (c) Fees for court reporters at any depositions or hearings.
- (d) Fees for expert witnesses and other witnesses at any depositions or hearings.



- (e) Fees for necessary interpreters at any depositions or hearings.
  - (f) Fees for service and delivery of process and subpoenas.

- (g) Expenses for research, including, without limitation, reasonable and necessary expenses for computerized services for legal research.
- Sec. 11. A court shall award to a regulatory body reasonable attorney's fees and reasonable costs specified in NRS 18.005 that are incurred by the regulatory body to bring or defend in any action if:
- 1. The action relates to the imposition or recovery of an administrative or civil remedy or penalty, the enforcement of any subpoena issued by the regulatory body or the enforcement of any provision of this title which the regulatory body has the authority to enforce, any regulation adopted pursuant thereto or any order of the regulatory body; and
- 2. The court determines that the regulatory body is the prevailing party in the action.

**Sec. 12.** NRS 622.100 is hereby amended to read as follows:

- 622.100 1. Each [occupational licensing board] regulatory body shall, on or before the 20th day of January, April, July and October, submit to the Director of the Legislative Counsel Bureau a summary of each disciplinary action taken by the regulatory body during the immediately preceding calendar quarter against [the holder of a license, certificate, registration or permit issued by the occupational licensing board.] any licensee of the regulatory body.
  - 2. The Director of the Legislative Counsel Bureau shall:
- (a) Provide any information he receives pursuant to subsection 1 to a member of the public upon request;
- (b) Cause a notice of the availability of such information to be posted on the public website of the Nevada Legislature on the Internet; and
- (c) Transmit a compilation of the information he receives pursuant to subsection 1 to the Legislative Commission quarterly, unless otherwise directed by the Commission.
  - **Sec. 13.** NRS 622.110 is hereby amended to read as follows:
- 622.110 1. Each [occupational licensing board] regulatory body shall, on or before November 1 of each even-numbered year, submit a report of its activities to the Director of the Legislative Counsel Bureau.
  - 2. The report must include, without limitation:
- (a) The number of licenses [, certificates, registrations and permits, respectively,] issued by the [occupational licensing board] regulatory body during the immediately preceding 2 fiscal years;



- (b) A summary of the budget of the **[occupational licensing board]** regulatory body during the immediately preceding 2 fiscal years that is related to the duties of the **[occupational licensing board]** regulatory body pursuant to this title, including, without limitation, a description of all income and expenditures related to such duties;
- (c) A summary of each disciplinary action taken by the regulatory body during the immediately preceding 2 fiscal years against [the holder of a license, certificate, registration or permit issued by the occupational licensing board;] any licensee of the regulatory body; and
- (d) Any other information that is requested by the Director of the Legislative Counsel Bureau or which the [occupational licensing board] regulatory body determines would be helpful to the Legislature in evaluating whether the continued existence of the [occupational licensing board] regulatory body is necessary.
- 3. The Director of the Legislative Counsel Bureau shall compile all the reports he receives and distribute copies of the compilation to the Senate Standing Committee on Commerce and Labor and the Assembly Standing Committee on Commerce and Labor, which each shall review the compilation to determine whether the continued existence of each [occupational licensing board] regulatory body is necessary.
- **Sec. 14.** NRS 623.131 is hereby amended to read as follows: 623.131 1. Except as otherwise provided in subsections 2, 3 and 4, the records of the Board which relate to:
  - (a) An employee of the Board;
  - (b) An examination given by the Board; or
- (c) Complaints and charges filed with the Board and the material compiled as a result of its investigation of those complaints and charges,

are confidential.

- 2. The records described in subsection 1 may be disclosed, pursuant to procedures established by regulation of the Board, to a court or an agency of the Federal Government, any state, any political subdivision of this state, or any other related professional board or organization.
- 3. [Upon completion of an investigation by the Board, any records of the Board described in paragraph (c) of subsection 1 are public records only if:
- (a) Disciplinary action is imposed by the Board as a result of the investigation; or
- 43 (b) The person regarding whom the investigation was made 44 submits a written request to the Board requesting that the records be 45 madel The complaint or other document filed by the Board to



initiate disciplinary action and all other documents and information considered by the Board when determining whether to impose discipline are public records.

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- 4. The Board may report to other related professional boards and organizations an applicant's score on an examination given by the Board.
  - **Sec. 15.** NRS 623.270 is hereby amended to read as follows:
- 623.270 1. The Board may place the holder of any certificate of registration issued pursuant to the provisions of this chapter on probation, *publicly* reprimand him, fine him not more than \$10,000, suspend or revoke his license, impose the costs of investigation and prosecution upon him or take any combination of these disciplinary actions, if proof satisfactory to the Board is presented that:
- (a) The certificate was obtained by fraud or concealment of a material fact.
- (b) The holder of the certificate has been found guilty by the Board or by a court of justice of any fraud, deceit or concealment of a material fact in his professional practice, or has been convicted by a court of justice of a crime involving moral turpitude.
- (c) The holder of the certificate has been found guilty by the Board of incompetency, negligence or gross negligence in:
  - (1) The practice of architecture or residential design; or
  - (2) His practice as a registered interior designer.
- (d) The holder of a certificate has affixed his signature or seal to plans, drawings, specifications or other instruments of service which have not been prepared by him or in his office, or under his responsible control, or has permitted the use of his name to assist any person who is not a registered architect, registered interior designer or residential designer to evade any provision of this chapter.
- (e) The holder of a certificate has aided or abetted any unauthorized person to practice:
  - (1) Architecture or residential design; or
  - (2) As a registered interior designer.
- (f) The holder of the certificate has violated any law, regulation or code of ethics pertaining to:
  - (1) The practice of architecture or residential design; or
  - (2) Practice as a registered interior designer.
- (g) The holder of a certificate has failed to comply with an order issued by the Board or has failed to cooperate with an investigation conducted by the Board.
- 2. [If discipline is imposed pursuant to the provisions of this section, the costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Board.



- 3.] The conditions for probation imposed pursuant to the provisions of subsection 1 may include, but are not limited to:
  - (a) Restriction on the scope of professional practice.
  - (b) Peer review.

- (c) Required education or counseling.
- (d) Payment of restitution to each person who suffered harm or oss.
- [(e) Payment of all costs of the administrative investigation and prosecution.
- 4.] 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- 4. The Board shall not privately reprimand the holder of any certificate of registration issued pursuant to this chapter.
  - **5.** As used in this section:
- (a) "Gross negligence" means conduct which demonstrates a reckless disregard of the consequences affecting the life or property of another person.
  - (b) "Incompetency" means conduct which, in:
    - (1) The practice of architecture or residential design; or
- (2) Practice as a registered interior designer, demonstrates a significant lack of ability, knowledge or fitness to discharge a professional obligation.
- (c) "Negligence" means a deviation from the normal standard of professional care exercised generally by other members in:
  - (1) The profession of architecture or residential design; or
  - (2) Practice as a registered interior designer.
- **Sec. 16.** Chapter 623A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Executive Director, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - **Sec. 17.** NRS 623A.270 is hereby amended to read as follows: 623A.270 1. The Board may:
- (a) Suspend or revoke a certificate of registration or certificate to practice as a landscape architect intern;
- 43 (b) Refuse to renew a certificate of registration or certificate to 44 practice as a landscape architect intern;



- (c) Place a holder of a certificate of registration or certificate to practice as a landscape architect intern on probation;
- (d) Issue a *public* reprimand to a holder of a certificate of registration or certificate to practice as a landscape architect intern;
- (e) Impose upon a holder of a certificate of registration or certificate to practice as a landscape architect intern a fine of not more than \$5,000 for each violation of this chapter;
- (f) Require a holder of a certificate of registration or certificate to practice as a landscape architect intern to pay restitution; *or*
- (g) [Require a holder of a certificate of registration or certificate to practice as a landscape architect intern to pay the costs of an investigation or prosecution; or
- (h)] Take such other disciplinary action as the Board deems appropriate,
- if the holder of a certificate of registration or certificate to practice as a landscape architect intern has committed any act set forth in NRS 623A.280.
- 2. The conditions for probation imposed pursuant to the provisions of subsection 1 may include, without limitation:
  - (a) Restriction on the scope of professional practice;
  - (b) Peer review;

- (c) Education or counseling;
- (d) The payment of restitution to each person who suffered harm or loss; and
- (e) The payment of all costs of the administrative investigation and prosecution.
- 3. [If the Board imposes discipline pursuant to the provisions of this section, the Board may recover the costs of the proceeding, including any investigative costs and attorney's fees.
- 4.] An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- 4. The Board shall not issue a private reprimand to a holder of a certificate of registration or certificate to practice as a landscape architect intern.
- 5. The Board may adopt regulations setting forth a schedule of fines for the purposes of paragraph (e) of subsection 1.
- **Sec. 18.** Chapter 624 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information



considered by the Board when determining whether to impose discipline are public records.

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**Sec. 19.** NRS 624.110 is hereby amended to read as follows:

624.110 1. The Board may maintain offices in as many localities in the State as it finds necessary to carry out the provisions of this chapter, but it shall maintain one office in which there must be at all times open to public inspection a complete record of applications, licenses issued, licenses renewed and all revocations, cancellations and suspensions of licenses.

2. [Credit] Except as otherwise required in section 18 of this act, credit reports, references, [investigative memoranda,] financial information and data pertaining to a licensee's net worth are confidential and not open to public inspection.

**Sec. 20.** NRS 624.291 is hereby amended to read as follows:

- 624.291 1. Except as otherwise provided in subsection 4, if the Board suspends or revokes a license, has probable cause to believe that a person has violated NRS 624.720 or imposes an administrative fine pursuant to NRS 624.710, the Board shall hold a hearing. The time and place for the hearing must be fixed by the Board, and notice of the time and place of the hearing must be personally served on the applicant or accused or mailed to the last known address of the applicant or accused at least 21 days before the date fixed for the hearing.
- 2. The testimony taken pursuant to NRS 624.170 to 624.210, inclusive, must be considered a part of the record of the hearing before the Board.
- 3. [The] Except as otherwise provided in section 8 of this act, the hearing must be public if a request is made therefor.
- 4. The Board may suspend the license of a contractor without a hearing if the Board finds, based upon evidence in its possession, that the public health, safety or welfare imperatively requires summary suspension of the license of the contractor and incorporates that finding in its order. If the Board summarily suspends the license of the contractor, the Board must notify the contractor by certified mail. A hearing must be held within 60 days after the suspension if the contractor submits a written request for a hearing to the Board within 20 days after the Board summarily suspends his license.
  - **Sec. 21.** NRS 624.300 is hereby amended to read as follows: 624.300 1. Except as otherwise provided in subsection 3, the
- Board may:
  (a) Suspend or revoke licenses already issued;
  - (b) Refuse renewals of licenses:
- 44 (c) Impose limits on the field, scope and monetary limit of the license;



- (d) Impose an administrative fine of not more than \$10,000;
- (e) Order a licensee to repay to the account established pursuant to NRS 624.470, any amount paid out of the account pursuant to NRS 624.510 as a result of an act or omission of that licensee;
- (f) Order the licensee to take action to correct a condition resulting from an act which constitutes a cause for disciplinary action, at the licensee's cost, that may consist of requiring the licensee to:
  - (1) Perform the corrective work himself;

- (2) Hire and pay another licensee to perform the corrective work; or
- (3) Pay to the owner of the construction project a specified sum to correct the condition; or
- (g) [Reprimand] Issue a public reprimand or take other less severe disciplinary action, including, without limitation, increasing the amount of the surety bond or cash deposit of the licensee, if the licensee commits any act which constitutes a cause for

disciplinary action.

- 2. If the Board suspends or revokes the license of a contractor for failure to establish financial responsibility, the Board may, in addition to any other conditions for reinstating or renewing the license, require that each contract undertaken by the licensee for a period to be designated by the Board, not to exceed 12 months, be separately covered by a bond or bonds approved by the Board and conditioned upon the performance of and the payment of labor and materials required by the contract.
- 3. If a licensee violates the provisions of NRS 624.3014 or subsection 3 of NRS 624.3015, the Board may impose an administrative fine of not more than \$20,000.
- 4. If a licensee commits a fraudulent act which is a cause for disciplinary action under NRS 624.3016, the correction of any condition resulting from the act does not preclude the Board from taking disciplinary action.
- 5. If the Board finds that a licensee has engaged in repeated acts that would be cause for disciplinary action, the correction of any resulting conditions does not preclude the Board from taking disciplinary action pursuant to this section.
- 6. The expiration of a license by operation of law or by order or decision of the Board or a court, or the voluntary surrender of a license by a licensee, does not deprive the Board of jurisdiction to proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.
- 7. [If discipline is imposed pursuant to this section, including any discipline imposed pursuant to a stipulated settlement, the costs



of the proceeding, including investigative costs and attorney's fees, may be recovered by the Board. The Board shall not issue a private reprimand to a licensee.

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- 8. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- 9. All fines collected pursuant to this section must be deposited with the State Treasurer for credit to the Construction Education Account created pursuant to NRS 624.580.

**Sec. 22.** NRS 625.425 is hereby amended to read as follows:

- 625.425 1. Any information obtained during the course of an investigation by the Board and any record of an investigation is confidential. [until the investigation is completed.] If no disciplinary action is taken against a licensee, an applicant for licensure, an intern or an applicant for certification as an intern, or no civil penalty is imposed pursuant to NRS 625.590, the information in his investigative file remains confidential. [If a formal complaint is filed, all pleadings and evidence introduced at the hearing The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose *discipline* are public records.
- 2. The provisions of this section do not prohibit the Board or its employees from communicating and cooperating with another licensing board or any other agency that is investigating a person.
- **Sec. 23.** NRS 625.460 is hereby amended to read as follows: 625.460 *I*. If, after a hearing, a majority of the members of the Board present at the hearing vote in favor of finding the accused person guilty, the Board may:
- (a) Revoke the license of the professional engineer or professional land surveyor or deny a license to the applicant;
- (b) Suspend the license of the professional engineer or professional land surveyor;
- [3.] (c) Fine the licensee or applicant for licensure not more than \$15,000 for each violation of a provision of this chapter or any regulation adopted by the Board;
- [4.] (d) Place the licensee or applicant for licensure on probation for such periods as it deems necessary and, if the Board deems appropriate, require the licensee or applicant for licensure to pay restitution to clients or other persons who have suffered economic losses as a result of a violation of the provisions of this chapter or the regulations adopted by the Board; or
- [5.] (e) Take such other disciplinary action as the Board deems appropriate.
  - 2. The Board shall not issue a private reprimand.



- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 24.** Chapter 625A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- **Sec. 25.** NRS 625A.180 is hereby amended to read as follows: 625A.180 1. If the Board finds after a hearing, or after providing an opportunity for a hearing, that disciplinary action is necessary, it may by order:
- (a) Place the environmental health specialist on probation for a specified period or until further order of the Board;
  - (b) Administer a public [or private] reprimand; or
  - (c) Suspend or revoke his certificate.

- 2. If the order places an environmental health specialist on probation, the Board may impose such limitations or conditions upon his professional activities as it finds consistent to protect the public health.
  - 3. The Board shall not administer a private reprimand.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 26.** Chapter 628 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - **Sec. 27.** NRS 628.390 is hereby amended to read as follows:
- 628.390 1. After giving notice and conducting a hearing, the Board may revoke, or may suspend for a period of not more than 5 years, any certificate issued under NRS 628.190 to 628.310, inclusive, any registration or license granted to a registered public accountant under NRS 628.350, or any registration of a partnership,



corporation, limited-liability company or office, or may revoke, suspend or refuse to renew any permit issued under NRS 628.380, or may *publicly* censure the holder of any permit, for any one or any combination of the following causes:

- (a) Fraud or deceit in obtaining a certificate as a certified public accountant, or in obtaining registration or a license as a public accountant under this chapter, or in obtaining a permit to practice public accounting under this chapter.
- (b) Dishonesty, fraud or gross negligence by a certified or registered public accountant in the practice of public accounting or, if not in the practice of public accounting, of a kind which adversely affects the ability to perform public accounting.
  - (c) Violation of any of the provisions of this chapter.
- (d) Violation of a regulation or rule of professional conduct adopted by the Board under the authority granted by this chapter.
- (e) Conviction of a felony under the laws of any state or of the United States.
- (f) Conviction of any crime, an element of which is dishonesty or fraud, under the laws of any state or of the United States.
- (g) Cancellation, revocation, suspension or refusal to renew authority to practice as a certified public accountant or a registered public accountant by any other state, for any cause other than failure to pay an annual registration fee or to comply with requirements for continuing education or review of his practice in the other state.
- (h) Suspension or revocation of the right to practice before any state or federal agency.
- (i) Unless the person has been placed on inactive or retired status, failure to obtain an annual permit under NRS 628.380, within:
- (1) Sixty days after the expiration date of the permit to practice last obtained or renewed by the holder of a certificate or registrant; or
- (2) Sixty days after the date upon which the holder of a certificate or registrant was granted his certificate or registration, if no permit was ever issued to him, unless the failure has been excused by the Board.
- (j) Conduct discreditable to the profession of public accounting or which reflects adversely upon the fitness of the person to engage in the practice of public accounting.
- (k) Making a false or misleading statement in support of an application for a certificate, registration or permit of another person.
- 2. After giving notice and conducting a hearing, the Board may deny an application to take the examination prescribed by the Board pursuant to NRS 628.190, deny a person admission to such an examination, invalidate a grade received for such an examination or



deny an application for a certificate issued pursuant to NRS 628.190 to 628.310, inclusive, to a person who has:

- (a) Made any false or fraudulent statement, or any misleading statement or omission relating to a material fact in an application:
- (1) To take the examination prescribed by the Board pursuant to NRS 628.190; or
- (2) For a certificate issued pursuant to NRS 628.190 to 628.310, inclusive;
- (b) Cheated on an examination prescribed by the Board pursuant to NRS 628.190 or any such examination taken in another state or jurisdiction of the United States;
- (c) Aided, abetted or conspired with any person in a violation of the provisions of paragraph (a) or (b); or
- (d) Committed any combination of the acts set forth in paragraphs (a), (b) and (c).
- 3. In addition to other penalties prescribed by this section, the Board may impose a civil penalty of not more than \$5,000 for each violation of this section.
  - 4. The Board [may recover:

- (a) Attorney's fees and costs incurred with respect to a hearing held pursuant to this section from a person who is found in violation of any of the provisions of this section;
- (b) Attorney's fees and costs incurred in the recovery of a civil penalty imposed pursuant to this section; and
- (c) Any other costs incurred by the Board as a result of such a violation.] shall not privately censure the holder of any permit, license or certificate of registration.
- 5. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 28.** Chapter 630 of NRS is hereby amended by adding thereto the provisions set forth as sections 29 to 41, inclusive, of this act.
- 33 Sec. 29. 1. The Board shall employ a person as the Executive Secretary of the Board.
  - 2. The Executive Secretary serves as the chief administrative officer of the Board at a level of compensation set by the Board.
- 37 3. The Executive Secretary is an at-will employee who serves 38 at the pleasure of:
  - (a) The Board; and
  - (b) The Governor. If the Governor discharges a person who is employed as the Executive Secretary, the Board may not rehire that person as the Executive Secretary without the approval of the Governor.



Sec. 30. 1. The Board may employ hearing officers, experts, administrators, attorneys, investigators, consultants and clerical personnel necessary to the discharge of its duties.

2. Except as otherwise provided in section 29 of this act, each employee of the Board is an at-will employee who serves at the pleasure of the Board. The Board may discharge an employee of the Board for any reason that does not violate public policy, including, without limitation, making a false representation to the Board.

- 3. A hearing officer employed by the Board shall not act in any other capacity for the Board or occupy any other position of employment with the Board, and the Board shall not assign the hearing officer any duties which are unrelated to the duties of a hearing officer.
- 4. If a person resigns his position as a hearing officer or the Board terminates the person from his position as a hearing officer, the Board may not rehire the person in any position of employment with the Board for a period of 2 years following the date of the resignation or termination. The provisions of this subsection do not give a person any right to be rehired by the Board and do not permit the Board to rehire a person who is prohibited from being employed by the Board pursuant to any other provision of law.
- Sec. 31. 1. Notwithstanding any other provision of law and except as otherwise provided in this section, the Board shall not adopt any regulations that prohibit or have the effect of prohibiting a physician, physician assistant or practitioner of respiratory care from collaborating or consulting with another provider of health care.
- 2. The provisions of this section do not prevent the Board from adopting regulations that prohibit a physician, physician assistant or practitioner of respiratory care from aiding or abetting another person in the unlicensed practice of medicine or the unlicensed practice of respiratory care.
- 3. As used in this section, "provider of health care" has the meaning ascribed to it in NRS 629.031.
- Sec. 32. 1. The Board shall maintain a website on the Internet or its successor.
- 2. Except as otherwise provided in this section, the Board and its members and employees shall not place any information on the website maintained by the Board unless the Board, at a regular meeting, approves the placement of the information on the website.
- 44 3. The Board shall place on the website, without having to 45 approve the placement at a meeting:



- (a) An alphabetical list, by last name, of each physician and a brief description of each disciplinary action, if any, taken against the physician, in this state and elsewhere, which relates to the practice of medicine and which is noted in the records of the Board. The Board shall include, as part of the list on the website, the name of each physician whose license has been revoked by the Board. The Board shall make the list on the website easily accessible and user friendly for the public.
  - (b) All financial reports received by the Board.

- (c) All financial reports prepared by the Board.
- (d) Any other information required to be placed on the website by any other provision of law.
- Sec. 33. 1. If the Governor determines that there are critically unmet needs with regard to the number of physicians who are practicing a medical specialty within this state, the Governor may declare that a state of critical medical need exists for that medical specialty. The Governor may, but is not required to, limit such a declaration to one or more geographic areas within this state.
- 2. In determining whether there are critically unmet needs with regard to the number of physicians who are practicing a medical specialty, the Governor may consider, without limitation:
- (a) Any statistical data analyzing the number of physicians who are practicing the medical specialty in relation to the total population of this state or any geographic area within this state;
- (b) The demand within this state or any geographic area within this state for the types of services provided by the medical specialty; and
- (c) Any other factors relating to the medical specialty that may adversely affect the delivery of health care within this state or any geographic area within this state.
- 3. If the Governor makes a declaration pursuant to this section, the Board may waive the requirement of paragraph (d) of subsection 2 of NRS 630.160 for an applicant if the applicant:
- (a) Intends to practice medicine in one or more of the medical specialties designated by the Governor in his declaration and, if the Governor has limited his declaration to one or more geographic areas within this state, in one or more of those geographic areas;
- (b) Has completed at least 1 year of training as a resident in the United States or Canada in a program approved by the Board, the Accreditation Council for Graduate Medical Education of the American Medical Association or the Coordinating Council of Medical Education of the Canadian Medical Association, respectively;



(c) Has a minimum of 5 years of practical medical experience as a licensed allopathic physician or such other equivalent training as the Board deems appropriate; and

- (d) Meets all other conditions and requirements for a license to practice medicine.
- 4. Any license issued pursuant to this section is a restricted license, and the person who holds the restricted license may practice medicine in this state only in the medical specialties and geographic areas for which the restricted license is issued.
- 5. Any person who holds a restricted license issued pursuant to this section and who completes 3 years of full-time practice under the restricted license may apply to the Board for an unrestricted license. In considering an application for an unrestricted license pursuant to this subsection, the Board shall require the applicant to meet all statutory requirements for licensure in effect at the time of application except the requirement of paragraph (d) of subsection 2 of NRS 630.160.
- Sec. 34. 1. In addition to the other requirements for licensure, an applicant for a license to practice medicine shall submit to the Board information describing:
- (a) Any claims made against the applicant for malpractice, whether or not a civil action was filed concerning the claim;
- (b) Any complaints filed against the applicant with a licensing board of another state and any disciplinary action taken against the applicant by a licensing board of another state; and
- (c) Any complaints filed against the applicant with a hospital, clinic or medical facility or any disciplinary action taken against the applicant by a hospital, clinic or medical facility.
- 2. The Board shall not issue a license to the applicant until it has received all the information required by this section.
- Sec. 35. In addition to the other requirements for licensure, an applicant shall cause to be submitted to the Board a certificate of completion of progressive postgraduate training from the residency program where the applicant received training.
- Sec. 36. 1. If the Board has reason to believe that a person has violated, is violating or is about to violate any provision of this chapter, the Board may issue to the person a letter of warning, a letter of concern or a nonpunitive admonishment at any time before the Board has initiated any disciplinary proceedings against the person.
  - 2. The issuance of such a letter or admonishment:
- (a) Does not preclude the Board from initiating any disciplinary proceedings against the person or taking any disciplinary action against the person based on any conduct



alleged or described in the letter or admonishment or any other conduct; and

- (b) Does not constitute a final decision of the Board and is not subject to judicial review.
- Sec. 37. The Board shall not revoke a license issued pursuant to this chapter unless the Board, by a majority vote of its entire membership, finds by clear and convincing evidence that the licensee committed a material violation of a provision of NRS 630.161 or 630.301 to 630.3067, inclusive.
- Sec. 38. The expiration of a license by operation of law or by order or decision of the Board or a court, or the voluntary surrender of a license by a licensee, does not deprive the Board of jurisdiction to proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.
  - Sec. 39. 1. A physician shall report to the Board:
- (a) Any action for malpractice against the physician not later than 45 days after the physician receives service of a summons and complaint for the action;
- (b) Any claim for malpractice against the physician that is submitted to arbitration or mediation not later than 45 days after the claim is submitted to arbitration or mediation;
- (c) Any settlement, award, judgment or other disposition of any action or claim described in paragraph (a) or (b) not later than 45 days after the settlement, award, judgment or other disposition; and
- (d) Any sanctions imposed against the physician that are reportable to the National Practitioner Data Bank not later than 45 days after the sanctions are imposed.
- 2. If the Board finds that a physician has violated any provision of this section, the Board may impose a fine of not more than \$5,000 against the physician for each violation, in addition to any other fines or penalties permitted by law.
- 3. All reports made by a physician pursuant to this section are public records.
- Sec. 40. If the Board receives a report pursuant to the provisions of NRS 630.3067, 690B.045, 690B.050 or section 39 of this act indicating that a judgment has been rendered or an award has been made against a physician regarding an action or claim for malpractice or that such an action or claim against the physician has been resolved by settlement, the Board shall conduct an investigation to determine whether to impose disciplinary action against the physician regarding the action or claim, unless the Board has already commenced or completed such an



1 investigation regarding the action or claim before it receives the 2 report.

- Sec. 41. 1. In addition to any other audits required of the Board by law, the Legislative Commission shall engage the services of a person specializing in managerial and financial consulting to conduct regular performance audits of the Board.
- 2. The initial performance audit of the Board must be commenced before October 1, 2003. After the initial performance audit is completed, additional performance audits must be conducted:
  - (a) Once every 8 years, for the preceding 8-year period; or
- (b) Whenever ordered by the Legislative Commission, for the period since the last performance audit was conducted pursuant to this section.
- 3. A written report of the results of the initial performance audit must be submitted to the Secretary of the Legislative Commission not later than 60 days after the date that the initial performance audit is commenced. A written report of the results of each subsequent performance audit must be submitted to the Secretary of the Legislative Commission as soon as practicable after the date that the performance audit is commenced.
- 4. Upon receipt of the written report of the results of each performance audit, the Secretary of the Legislative Commission shall:
- (a) Distribute the report to the members of the Legislative Commission and to any other Legislator who requests a copy of the report; and
- (b) Not later than 30 days after receipt of the report, make the report available to the public.
- 5. The Board shall pay all costs related to each performance audit conducted pursuant to this section.
- 6. Any person who conducts a performance audit pursuant to this section:
  - (a) Is directly responsible to the Legislative Commission;
- (b) Must be sufficiently qualified to conduct the performance audit: and
- (c) Must never have conducted an audit of the Board pursuant to NRS 218.825 or have been affiliated, in any way, with a person who has conducted an audit of the Board pursuant to NRS 218.825.
- 7. If the Legislative Commission is unable to select a person specializing in managerial and financial consulting who meets the requirements of this section, the Legislative Commission shall direct the Audit Division of the Legislative Counsel Bureau to conduct the performance audit.



8. Each performance audit conducted pursuant to this section must include, without limitation, a comprehensive review and evaluation of:

- (a) The methodology and efficiency of the Board in responding to complaints filed by the public against a licensee;
- (b) The methodology and efficiency of the Board in responding to complaints filed by a licensee against another licensee;
- (c) The methodology and efficiency of the Board in conducting investigations of licensees who have had two or more malpractice claims filed against them within a period of 12 months;
- (d) The methodology and efficiency of the Board in conducting investigations of licensees who have been subject to one or more peer review actions at a medical facility that resulted in the licensee losing his professional privileges at the medical facility for more than 30 days within a period of 12 months;
- (e) The methodology and efficiency of the Board in taking preventative steps or progressive actions to remedy or deter any unprofessional conduct by a licensee before such conduct results in a violation under this chapter that warrants disciplinary action; and
- (f) The managerial and administrative efficiency of the Board in using the fees that it collects pursuant to this chapter.
  - Sec. 42. NRS 630.003 is hereby amended to read as follows:
  - 630.003 1. The Legislature finds and declares that [it]:
- (a) It is among the responsibilities of State Government to ensure, as far as possible, that only competent persons practice medicine and respiratory care within this state [. For this purpose,];
- (b) For the protection and benefit of the public, the Legislature delegates to the Board of Medical Examiners the power and duty [of determining] to determine the initial and continuing competence of [doctors of medicine,] physicians, physician assistants and practitioners of respiratory care [in this state.] who are subject to the provisions of this chapter;
- (c) The Board must exercise its regulatory power to ensure that the interests of the medical profession do not outweigh the interests of the public;
- (d) The Board must ensure that unfit physicians, physician assistants and practitioners of respiratory care are removed from the medical profession so that they will not cause harm to the public; and
- (e) The Board must encourage and allow for public input into its regulatory activities to further improve the quality of medical practice within this state.



2. The powers conferred upon the Board by this chapter must be liberally construed to carry out [this purpose.] these purposes for the protection and benefit of the public.

- **Sec. 43.** NRS 630.020 is hereby amended to read as follows: 630.020 "Practice of medicine" means:
- 1. To diagnose, treat, correct, prevent or prescribe for any human disease, ailment, injury, infirmity, deformity or other condition, physical or mental, by any means or instrumentality.
- 2. To apply principles or techniques of medical science in the diagnosis or the prevention of any such conditions.
- 3. To perform any of the acts described in subsections 1 and 2 by using equipment that transfers information concerning the medical condition of the patient electronically, telephonically or by fiber optics.
- 4. To offer, undertake, attempt to do or hold oneself out as able to do any of the acts described in subsections 1 and 2.
- [5. To use in connection with a person's name the words or letters "M.D.," or any other title, word, letter or other designation intended to imply or designate him as a practitioner of medicine in any of its branches, except in the manner authorized by NRS 630A.220.1
  - **Sec. 44.** NRS 630.045 is hereby amended to read as follows:
- 630.045 *1*. The purpose of licensing physicians, physician assistants and practitioners of respiratory care is to protect the public health and safety and the general welfare of the people of this state.
- 2. Any license issued pursuant to this chapter is a revocable privilege [and no holder of], but the Board may revoke such a license [acquires thereby any vested right.] only in accordance with the provisions of section 37 of this act.
  - **Sec. 45.** NRS 630.060 is hereby amended to read as follows:
- 630.060 1. Six members of the Board must be persons who are licensed to practice medicine in this state, are actually engaged in the practice of medicine in this state and have resided and practiced medicine in this state for at least 5 years preceding their respective appointments.
- 2. The remaining members must be persons who have resided in this state for at least 5 years and who:
  - (a) Are not licensed in any state to practice any healing art;
- (b) Are not actively engaged in the administration of any facility for the dependent as defined in chapter 449 of NRS, medical facility or medical school; and
- (c) Do not have a pecuniary interest in any matter pertaining to the healing arts, except as a patient or potential patient.
- 3. The members of the Board must be selected without regard to their individual political beliefs.



- The **President** of the Board shall conduct a training [programs] program to assist new members of the Board in the performance of their duties.
  - **Sec. 46.** NRS 630.100 is hereby amended to read as follows:
- 630.100 1. The Board shall meet at least twice annually and may meet at other times on the call of the President or a majority of its members.
- 2. Meetings of the Board must be held at a location at which members of the general public may testify via telephone or video conference between Las Vegas and Carson City or Reno.
- 3. A majority of the Board, or of any committee or panel appointed by the Board constitutes a quorum. If there is a quorum, a vote of the majority of the members present is all that is necessary to transact any business before the Board or the committee or panel appointed by the Board.
  - **Sec. 47.** NRS 630.125 is hereby amended to read as follows:
- 630.125 *1*. The Board may [:

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- 1. Maintain maintain offices in as many localities in the State as it finds necessary to carry out the provisions of this chapter.
- 2. [Employ hearing officers, experts, administrators, attorneys, investigators, consultants and clerical personnel necessary to the discharge of its duties.] Not later than July 1, 2007, the Board shall transfer its principal office to Las Vegas, and the Board shall maintain its principal office in Las Vegas thereafter.
- **Sec. 48.** NRS 630.130 is hereby amended to read as follows: 630.130 1. In addition to the other powers and duties provided in this chapter, the Board shall [], in the interest of the public, judiciously:
  - (a) Enforce the provisions of this chapter;
- (b) Establish by regulation standards for licensure under this
- (c) Conduct examinations for licensure and establish a system of scoring for those examinations;
- (d) Investigate the character of each applicant for a license and issue licenses to those applicants who meet the qualifications set by this chapter and the Board; and
- (e) Institute a proceeding in any court to enforce its orders or the provisions of this chapter.
- 2. On or before February 15 of each odd-numbered year, the board shall submit to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a written report compiling:
- (a) Disciplinary action taken by the Board during the previous biennium against physicians for malpractice or negligence; and



(b) Information reported to the Board during the previous biennium pursuant to NRS 630.3067, subsections 2 and 3 of NRS 630.307 and NRS 690B.045 [...] and 690B.050 and section 39 of this act.

- The report must include only aggregate information for statistical purposes and exclude any identifying information related to a particular person.
- 3. The Board may adopt such regulations as are necessary or desirable to enable it to carry out the provisions of this chapter.
  - **Sec. 49.** NRS 630.160 is hereby amended to read as follows:
- 630.160 1. Every person desiring to practice medicine must, before beginning to practice, procure from the Board a license authorizing him to practice.
- 2. Except as otherwise provided in NRS 630.161 or 630.164, and section 33 of this act, a license may be issued to any person who:
- (a) Is a citizen of the United States or is lawfully entitled to remain and work in the United States;
- (b) Has received the degree of doctor of medicine from a medical school:
- (1) Approved by the Liaison Committee on Medical Education of the American Medical Association and Association of American Medical Colleges; or
- (2) Which provides a course of professional instruction equivalent to that provided in medical schools in the United States approved by the Liaison Committee on Medical Education;
- (c) [Has] Is currently certified by a specialty board of the American Board of Medical Specialties or has passed:
- (1) All parts of the examination given by the National Board of Medical Examiners;
  - (2) All parts of the Federation Licensing Examination;
- (3) All parts of the United States Medical Licensing Examination;
- (4) [All parts of a licensing examination given by any state or territory of the United States, if the applicant is certified by a specialty board of the American Board of Medical Specialties;
- (5)] All parts of the examination to become a licentiate of the Medical Council of Canada; or
- [(6)] (5) Any combination of the examinations specified in subparagraphs (1), (2) and (3) that the Board determined to be sufficient;
  - (d) Has completed 36 months of progressive postgraduate:
- (1) Education as a resident in the United States or Canada in a program approved by the Board, the Accreditation Council for Graduate Medical Education of the American Medical Association



or the Coordinating Council of Medical Education of the Canadian Medical Association; or

- (2) Fellowship training in the United States or Canada approved by the Board or the Accreditation Council for Graduate Medical Education; and
- (e) Passes a written or oral examination, or both, as to his qualifications to practice medicine and provides the Board with a description of the clinical program completed demonstrating that the applicant's clinical training met the requirements of paragraph (b).

**Sec. 50.** NRS 630.258 is hereby amended to read as follows:

- 630.258 1. A physician who is retired from active practice and who wishes to donate his expertise for the medical care and treatment of indigent persons in this state may obtain a special volunteer medical license by submitting an application to the Board pursuant to this section.
- 2. An application for a special volunteer medical license must be on a form provided by the Board and must include:
- (a) Documentation of the history of medical practice of the physician;
- (b) Proof that the physician previously has been issued an unrestricted license to practice medicine in any state of the United States and that he has never been the subject of disciplinary action by a medical board in any jurisdiction;
- (c) [Proof that the physician satisfies the requirements for licensure set forth in NRS 630.160;
- (d)] Acknowledgment that the practice of the physician under the special volunteer medical license will be exclusively devoted to providing medical care to indigent persons in this state; and
- **[(e)]** (d) Acknowledgment that the physician will not receive any payment or compensation, either direct or indirect, or have the expectation of any payment or compensation, for providing medical care under the special volunteer medical license, except for payment by a medical facility at which the physician provides volunteer medical services of the expenses of the physician for necessary travel, continuing education, malpractice insurance or fees of the State Board of Pharmacy.
- 3. If the Board finds that the application of a physician satisfies the requirements of subsection 2 and that the [retired] physician is competent to practice medicine, the Board shall issue a special volunteer medical license to the physician.
- 4. [The initial] A physician who holds a special volunteer medical license issued pursuant to this section [expires 1 year after the date of issuance. The license may be renewed pursuant to this section, and any license that is renewed expires 2 years after the date of issuance.] is not required to renew the license, and the physician



may hold the license until it is voluntarily relinquished by the physician or revoked by the Board in accordance with section 37 of this act.

5. The Board shall not charge a fee for:

- (a) The review of an application for a special volunteer medical license; or
- (b) The issuance [or renewal] of a special volunteer medical license pursuant to this section.
- 6. A physician who is issued a special volunteer medical license pursuant to this section and who accepts the privilege of practicing medicine in this state pursuant to the provisions of the special volunteer medical license is subject to all the provisions governing disciplinary action set forth in this chapter.
- 7. A physician who is issued a special volunteer medical license pursuant to this section shall comply with the requirements for continuing education adopted by the Board.
- **Sec. 51.** NRS 630.261 is hereby amended to read as follows: 630.261 1. Except as otherwise provided in NRS 630.161, the Board may issue:
- (a) A locum tenens license, to be effective not more than 3 months after issuance, to any physician who is licensed and in good standing in another state, who meets the requirements for licensure in this state and who is of good moral character and reputation. The purpose of this license is to enable an eligible physician to serve as a substitute for another physician who is licensed to practice medicine in this state and who is absent from his practice for reasons deemed sufficient by the Board. A license issued pursuant to the provisions of this paragraph is not renewable.
- (b) A special license to a licensed physician of another state to come into this state to care for or assist in the treatment of his own patient in association with a physician licensed in this state. A special license issued pursuant to the provisions of this paragraph is limited to the care of a specific patient. The physician licensed in this state has the primary responsibility for the care of that patient.
- (c) A restricted license for a specified period if the Board determines the applicant needs supervision or restriction.
- (d) A temporary license for a specified period if the physician is licensed and in good standing in another state and meets the requirements for licensure in this state, and if the Board determines that it is necessary in order to provide medical services for a community without adequate medical care. A temporary license issued pursuant to the provisions of this paragraph is not renewable.
- (e) A special purpose license to a physician who is licensed in another state to permit the use of equipment that transfers information concerning the medical condition of a patient in this



state across state lines electronically, telephonically or by fiber optics if the physician:

- (1) Holds a full and unrestricted license to practice medicine in that state;
- (2) Has not had any disciplinary or other action taken against him by any state or other jurisdiction; and
- (3) Meets the requirement set forth in paragraph (d) of subsection 2 of NRS 630.160.
- 2. Except as otherwise provided in this section, the Board may renew or modify any license issued pursuant to subsection 1.
- 3. Every physician who is licensed pursuant to subsection 1 and who accepts the privilege of practicing medicine in this state pursuant to the provisions of the license shall be deemed to have given his consent to the revocation of the license at any time by the Board [for any of the grounds provided in NRS 630.161 or 630.301 to 630.3065, inclusive.] in accordance with the provisions of section 37 of this act.
- **Sec. 52.** NRS 630.301 is hereby amended to read as follows: 630.301 The following acts, among others, constitute grounds for initiating disciplinary action or denying licensure:
- 1. Conviction of a felony. [, any offense involving moral turpitude or any offense relating to the practice of medicine or the ability to practice medicine.] A plea of nolo contendere is a conviction for the purposes of this subsection.
- 2. Conviction of violating any of the provisions of NRS 616D.200, 616D.220, 616D.240, 616D.300, 616D.310 [,] or 616D.350 to 616D.440, inclusive.
- 3. The revocation, suspension, modification or limitation of the license to practice any type of medicine by any other jurisdiction or the surrender of the license or discontinuing the practice of medicine while under investigation by any licensing authority, a medical facility, a branch of the Armed Services of the United States, an insurance company, an agency of the Federal Government or an employer.
- 4. Malpractice, which may be evidenced by claims settled against a practitioner [...], but only if such malpractice is established by clear and convincing evidence.
- 5. The engaging by a practitioner in any sexual activity with a patient who is currently being treated by the practitioner.
- 6. Disruptive behavior with physicians, hospital personnel, patients, members of the families of patients or any other persons if the behavior interferes with patient care or has an adverse impact on the quality of care rendered to a patient.



7. The engaging in conduct that violates the trust of a patient and exploits the relationship between the physician and the patient for financial or other personal gain.

- 8. The failure to offer appropriate procedures or studies, to protest inappropriate denials by organizations for managed care, to provide necessary services or to refer a patient to an appropriate provider, when such a failure occurs with the intent of positively influencing the financial well-being of the practitioner or an insurer.
- 9. The engaging in conduct that brings the medical profession into disrepute, including, without limitation, conduct that violates any provision of a national code of ethics adopted by the Board by regulation.
- 10. The engaging in sexual contact with the surrogate of a patient or other key persons related to a patient, including, without limitation, a spouse, parent or legal guardian, which exploits the relationship between the physician and the patient in a sexual manner.
- **Sec. 53.** NRS 630.3062 is hereby amended to read as follows: 630.3062 The following acts, among others, constitute grounds for initiating disciplinary action or denying licensure:
- 1. Failure to maintain timely, legible, accurate and complete medical records relating to the diagnosis, treatment and care of a patient.
  - 2. Altering medical records of a patient.
- 3. Making or filing a report which the licensee knows to be false, failing to file a record or report as required by law or willfully obstructing or inducing another to obstruct such filing.
- 4. Failure to make the medical records of a patient available for inspection and copying as provided in NRS 629.061.
- 5. Failure to comply with the requirements of [NRS 630.3067.] section 39 of this act.
- 6. Failure to report any person the licensee knows, or has reason to know, is in violation of the provisions of this chapter or the regulations of the Board.
  - **Sec. 54.** NRS 630.3067 is hereby amended to read as follows:
- 630.3067 1. The insurer of a physician licensed under this chapter [and the physician must] shall report to the Board [any action filed or claim]:
- (a) Any action for malpractice against the physician not later than 45 days after the physician receives service of a summons and complaint for the action;
- (b) Any claim for malpractice against the physician that is submitted to arbitration or mediation [for malpractice or negligence against the physician and the] not later than 45 days after the claim is submitted to arbitration or mediation; and



(c) Any settlement, award, judgment or other disposition of [the] any action or claim [within 30 days after:

- (a) The action was filed or the claim was submitted to arbitration or mediation; and
- (b) The disposition of the action or claim.] described in paragraph (a) or (b) not later than 45 days after the settlement, award, judgment or other disposition.
- 2. The Board shall report any failure to comply with subsection 1 by an insurer licensed in this state to the Division of Insurance of the Department of Business and Industry. If, after a hearing, the Division of Insurance determines that any such insurer failed to comply with the requirements of subsection 1, the Division may impose an administrative fine of not more than \$10,000 against the insurer for each such failure to report. If the administrative fine is not paid when due, the fine must be recovered in a civil action brought by the Attorney General on behalf of the Division.

**Sec. 55.** NRS 630.318 is hereby amended to read as follows:

630.318 1. If the Board or any investigative committee of the Board has reason to believe that the conduct of any physician has raised a reasonable question as to his competence to practice medicine with reasonable skill and safety to patients, or if the Board has received a report pursuant to the provisions of NRS 630.3067, 690B.045, 690B.050 or section 39 of this act indicating that a judgment has been rendered or an award has been made against a physician regarding an action or claim for malpractice or that such an action or claim against the physician has been resolved by settlement, it may order that the physician undergo a mental or physical examination or an examination testing his competence to practice medicine by physicians or other examinations designated by the Board to assist the Board or committee in determining the fitness of the physician to practice medicine.

- 2. For the purposes of this section:
- (a) Every physician who applies for a license or who is licensed under this chapter shall be deemed to have given his consent to submit to a mental or physical examination or an examination testing his competence to practice medicine when ordered to do so in writing by the Board.
- (b) The testimony or reports of the examining physicians are not privileged communications.
- 3. Except in extraordinary circumstances, as determined by the Board, the failure of a physician licensed under this chapter to submit to an examination when directed as provided in this section constitutes an admission of the charges against him.



**Sec. 56.** NRS 630.333 is hereby amended to read as follows: 630.333 1. In addition to any other remedy provided by law, the Board, through its President or Secretary-Treasurer or the Attorney General, may apply to any court of competent jurisdiction:

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- (a) To enjoin any prohibited act or other conduct of a licensee which is harmful to the public;
- (b) To enjoin any person who is not licensed under this chapter from practicing medicine or respiratory care;
- (c) To limit the practice of a physician, physician assistant or practitioner of respiratory care, or suspend his license to practice; or
- (d) To enjoin the use of the title ["M. D.,"] "P.A.," "P.A.-C," "R.C.P." or any other word, combination of letters or other designation intended to imply or designate a person as a [physician,] physician assistant or practitioner of respiratory care, when not licensed by the Board pursuant to this chapter, unless the use is otherwise authorized by a specific statute.
- 2. The court in a proper case may issue a temporary restraining order or a preliminary injunction for the purposes set forth in subsection 1:
  - (a) Without proof of actual damage sustained by any person;
- (b) Without relieving any person from criminal prosecution for engaging in the practice of medicine without a license; and
  - (c) Pending proceedings for disciplinary action by the Board. **Sec. 57.** NRS 630.336 is hereby amended to read as follows:
- 630.336 1. [Any proceeding of a committee of the Board investigating complaints is not subject to the requirements of NRS 241.020, unless the licensee under investigation requests that the proceeding be subject to those requirements.] Any deliberations conducted or vote taken by [:
- (a) The Board or panel regarding its decision; or
- (b) The Board or any investigative committee of the Board regarding its ordering of a physician, physician assistant or practitioner of respiratory care to undergo a physical or mental examination or any other examination designated to assist the Board or committee in determining the fitness of a physician, physician assistant or practitioner of respiratory care [,] are not subject to the requirements of NRS 241.020.
- 2. Except as otherwise provided in subsection 3 [...] or 4, all applications for a license to practice medicine or respiratory care, any charges filed by the Board, financial records of the Board, formal hearings on any charges heard by the Board or a panel selected by the Board, records of such hearings and any order or decision of the Board or panel must be open to the public.
- 3. [Except as otherwise provided in NRS 630.352 and 630.368, the] *The* following may be kept confidential:



- (a) Any statement, evidence, credential or other proof submitted in support of or to verify the contents of an application;
  - (b) [All investigations and records of investigations;
- (e) Any report concerning the fitness of any person to receive or hold a license to practice medicine or respiratory care;

 $\frac{[(d)]}{and}$ 

- (c) Any communication between:
  - (1) The Board and any of its committees or panels; and
- (2) The Board or its staff, investigators, experts, committees, panels, hearing officers, advisory members or consultants and counsel for the Board; and
- (e) Any other information or records in the possession of the Board.
- 4. Except as otherwise provided in subsection 5, a complaint filed with the Board pursuant to NRS 630.307, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 5. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- **6.** This section does not prevent or prohibit the Board from communicating or cooperating with any other licensing board or agency or any agency which is investigating a licensee, including a law enforcement agency. Such cooperation may include, without limitation, providing the board or agency with minutes of a closed meeting, transcripts of oral examinations and the results of oral examinations.
  - **Sec. 58.** NRS 630.352 is hereby amended to read as follows:
- 630.352 1. Any member of the Board, except for an advisory member serving on a panel of the Board hearing charges, may participate in the final order of the Board. If the Board, after a formal hearing, determines from a preponderance of the evidence or, when the issue is the revocation of the license, by clear and convincing evidence that a violation of the provisions of this chapter or of the regulations of the Board has occurred, it shall issue and serve on the physician charged an order, in writing, containing its findings and any sanctions.
- 2. If the Board determines that no violation has occurred, it shall dismiss the charges, in writing, and notify the physician that the charges have been dismissed. If the disciplinary proceedings were instituted against the physician as a result of a complaint filed



- against him, the Board may provide the physician with a copy of the complaint.
  - 3. Except as otherwise provided in subsection 4, if the Board finds that a violation has occurred, it [may] shall by order [:] take one or more of the following actions:
  - (a) Place the person on probation for a specified period on any of the conditions specified in the order;
    - (b) Administer to him a public reprimand;

- (c) Limit his practice or exclude one or more specified branches of medicine from his practice;
- (d) Suspend his license for a specified period or until further order of the Board;
- (e) Revoke his license to practice medicine [;], but only in accordance with the provisions of section 37 of this act;
- (f) Require him to participate in a program to correct alcohol or drug dependence or any other impairment;
  - (g) Require supervision of his practice;
  - (h) Impose a fine not to exceed \$5,000;
- (i) Require him to perform community service without compensation;
- (j) Require him to take a physical or mental examination or an examination testing his competence; *and*
- (k) Require him to fulfill certain training or educational requirements. [; and
- (1) Require him to pay all costs incurred by the Board relating to his disciplinary proceedings.]
- 4. If the Board finds that the physician has violated the provisions of NRS 439B.425, the Board shall suspend his license for a specified period or until further order of the Board.
- 5. The Board shall not administer a private reprimand if the Board finds that a violation has occurred.
- 6. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - **Sec. 59.** NRS 630.400 is hereby amended to read as follows: 630.400 A person who:
- 1. Presents to the Board as his own the diploma, license or credentials of another;
- 2. Gives either false or forged evidence of any kind to the Board;
- 3. Practices medicine or respiratory care under a false or assumed name or falsely personates another licensee;
- 4. Except as otherwise provided by specific statute, practices medicine or respiratory care without being licensed under this chapter;



5. Holds himself out as a physician assistant or uses any other term indicating or implying that he is a physician assistant without being licensed by the Board; *or* 

- 6. Holds himself out as a practitioner of respiratory care or uses any other term indicating or implying that he is a practitioner of respiratory care without being licensed by the Board, For
- 7. Uses the title "M.D.," when not licensed by the Board pursuant to this chapter, unless otherwise authorized by a specific statute,

is guilty of a category D felony and shall be punished as provided in NRS 193.130.

**Sec. 60.** NRS 630A.510 is hereby amended to read as follows:

630A.510 1. Any member of the Board who was not a member of the investigative committee, if one was appointed, may participate in the final order of the Board. If the Board, after a formal hearing, determines that a violation of the provisions of this chapter or the regulations adopted by the Board has occurred, it shall issue and serve on the person charged an order, in writing, containing its findings and any sanctions imposed by the Board. If the Board determines that no violation has occurred, it shall dismiss the charges, in writing, and notify the person that the charges have been dismissed.

- 2. If the Board finds that a violation has occurred, it may by order:
- (a) Place the person on probation for a specified period on any of the conditions specified in the order.
  - (b) Administer to the person a public reprimand.
- (c) Limit the practice of the person or exclude a method of treatment from the scope of his practice.
- (d) Suspend the license of the person for a specified period or until further order of the Board.
- (e) Revoke the license of the person to practice homeopathic medicine.
- (f) Require the person to participate in a program to correct a dependence upon alcohol or a controlled substance, or any other impairment.
  - (g) Require supervision of the person's practice.
  - (h) Impose an administrative fine not to exceed \$10,000.
- (i) Require the person to perform community service without compensation.
- (j) Require the person to take a physical or mental examination or an examination of his competence to practice homeopathic medicine.
- (k) Require the person to fulfill certain training or educational requirements.



- [(1) Require the person to pay the costs of the investigation and hearing.]
  - 3. The Board shall not administer a private reprimand.

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

**Sec. 61.** NRS 630A.555 is hereby amended to read as follows: 630A.555

1. Except as otherwise provided in [subsection 2,] this section, any records or information obtained during an investigation by the Board and any record of the investigation are confidential. [until the investigation is completed. Upon completion of the investigation, the information and records are public records

- (a) Disciplinary action is imposed by the Board as a result of the investigation; or
- (b) The person regarding whom the investigation was made submits a written request to the Board asking that the information and records be made public records.]
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. The Board may provide any record or information described in subsection 1 to any other licensing board or agency, including a law enforcement agency, which is investigating a person who is licensed pursuant to this chapter.
  - **Sec. 62.** NRS 631.350 is hereby amended to read as follows:
- 631.350 1. Except as otherwise provided in NRS 631.271 and 631.347, the Board may:
  - (a) Refuse to issue a license to any person;
- (b) Revoke or suspend the license or renewal certificate issued by it to any person;
  - (c) Fine a person it has licensed;
- (d) Place a person on probation for a specified period on any conditions the Board may order;
  - (e) Issue a public reprimand to a person;
  - (f) Limit a person's practice to certain branches of dentistry;
  - (g) Require a person to participate in a program to correct alcohol or drug abuse or any other impairment;
    - (h) Require that a person's practice be supervised;
  - (i) Require a person to perform community service without compensation;
- (j) Require a person to take a physical or mental examination or an examination of his competence;
- (k) Require a person to fulfill certain training or educational requirements;



- (1) Require a person to reimburse a patient; or
- (m) Any combination thereof,

upon proof satisfactory to the Board that the person has engaged in any of the activities listed in subsection 2.

- 2. The following activities may be punished as provided in subsection 1:
- (a) Engaging in the illegal practice of dentistry or dental hygiene;
  - (b) Engaging in unprofessional conduct; or
- (c) Violating any regulations adopted by the Board or the provisions of this chapter.
- 3. The Board may delegate to a hearing officer or panel its authority to take any disciplinary action pursuant to this chapter, impose and collect fines therefor and deposit the money therefrom in banks, credit unions or savings and loan associations in this state.
- 4. If a hearing officer or panel is not authorized to take disciplinary action pursuant to subsection 3 and the Board deposits the money collected from the imposition of fines with the State Treasurer for credit to the State General Fund, it may present a claim to the State Board of Examiners for recommendation to the Interim Finance Committee if money is needed to pay attorney's fees or the costs of an investigation, or both.
  - 5. The Board shall not administer a private reprimand.
- 6. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - **Sec. 63.** NRS 631.368 is hereby amended to read as follows:
- 631.368 1. Except as otherwise provided in [subsection 2,] this section, any records or information obtained during the course of an investigation by the Board and any record of the investigation are confidential. [until the investigation is completed. Upon completion of the investigation the information and records are public records, only if:
- (a) Disciplinary action is imposed by the Board as a result of the
   investigation; or
  - (b) The person regarding whom the investigation was made submits a written request to the Board asking that the information and records be made public records.]
  - 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - 3. The Board may provide any record or information described in subsection 1 to any other licensing board or agency or any agency which is investigating a person licensed pursuant to this chapter, including a law enforcement agency.



- **Sec. 64.** NRS 632.325 is hereby amended to read as follows:
- 632.325 1. If the Board determines that a licensee or holder of a certificate has committed any of the acts set forth in NRS 632.320, it may take any one or more of the following disciplinary actions:
- (a) Place conditions, limitations or restrictions on his license or certificate.
- (b) Impose and collect an administrative fine of not more than \$5,000.
- (c) [Require the licensee or holder of a certificate to pay all costs incurred by the Board relating to the discipline of the licensee or holder of a certificate.
- (d) Reprimand Publicly reprimand the licensee or holder of a certificate.
- **[(e)]** (d) Accept the voluntary surrender of a license or certificate in lieu of imposing any other disciplinary action set forth in this subsection.
  - 2. If the Board determines that:

- (a) A person whose license or certificate is suspended or voluntarily surrendered, or has been placed on an inactive list pursuant to NRS 632.341, has committed, during the period his license or certificate was valid, inactive or would have been valid if not for the suspension or surrender; or
- (b) An applicant for the renewal or reinstatement of a license or certificate has committed, at any time after the most recent renewal of his license or certificate or the issuance of his original license or certificate if it has not been renewed,
- any of the acts set forth in NRS 632.320, the Board may take any one or more of the disciplinary actions set forth in subsection 1.
- 3. The Board shall not privately reprimand a licensee or holder of a certificate.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - **Sec. 65.** NRS 632.405 is hereby amended to read as follows:
- 632.405 1. [Any] Except as otherwise provided in this section, any records or information obtained during the course of an investigation by the Board and any record of the investigation are confidential. [until the investigation is completed. Upon completion of the investigation the information and records are public records, only if:
- 41 (a) Disciplinary action is imposed by the Board as a result of the 42 investigation; or
- 43 (b) The person regarding whom the investigation was made 44 submits a written request to the Board asking that the information 45 and records be made public records.]



2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose disciplinary action are public records.

- 3. This section does not prevent or prohibit the Board from communicating or cooperating with another licensing board or any agency that is investigating a licensee, including a law enforcement agency.
- **Sec. 66.** Chapter 633 of NRS is hereby amended by adding thereto the provisions set forth as sections 67 to 73, inclusive, of this act.
- Sec. 67. 1. In addition to the other requirements for licensure, an applicant for a license to practice osteopathic medicine shall submit to the Board information describing:
- (a) Any claims made against the applicant for malpractice, whether or not a civil action was filed concerning the claim;
- (b) Any complaints filed against the applicant with a licensing board of another state and any disciplinary action taken against the applicant by a licensing board of another state; and
- (c) Any complaints filed against the applicant with a hospital, clinic or medical facility or any disciplinary action taken against the applicant by a hospital, clinic or medical facility.
- 2. The Board shall not issue a license to the applicant until it has received all the information required by this section.
- Sec. 68. In addition to the other requirements for licensure, an applicant shall cause to be submitted to the Board a certificate of completion of progressive postgraduate training from the residency program where the applicant received training.
- Sec. 69. The expiration of a license by operation of law or by order or decision of the Board or a court, or the voluntary surrender of a license by a licensee, does not deprive the Board of jurisdiction to proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.
- Sec. 70. 1. An osteopathic physician shall report to the Board:
- (a) Any action for malpractice against the osteopathic physician not later than 45 days after the osteopathic physician receives service of a summons and complaint for the action;
- (b) Any claim for malpractice against the osteopathic physician that is submitted to arbitration or mediation not later than 45 days after the claim is submitted to arbitration or mediation;
- (c) Any settlement, award, judgment or other disposition of any action or claim described in paragraph (a) or (b) not later



than 45 days after the settlement, award, judgment or other disposition; and

- (d) Any sanctions imposed against the osteopathic physician that are reportable to the National Practitioner Data Bank not later than 45 days after the sanctions are imposed.
- 2. If the Board finds that an osteopathic physician has violated any provision of this section, the Board may impose a fine of not more than \$5,000 against the osteopathic physician for each violation, in addition to any other fines or penalties permitted by law.
- 3. All reports made by an osteopathic physician pursuant to this section are public records.

Sec. 71. If the Board receives a report pursuant to the provisions of NRS 633.526, 690B.045, 690B.050 or section 70 of this act indicating that a judgment has been rendered or an award has been made against an osteopathic physician regarding an action or claim for malpractice or that such an action or claim against the osteopathic physician has been resolved by settlement, the Board shall conduct an investigation to determine whether to impose disciplinary action against the osteopathic physician regarding the action or claim, unless the Board has already commenced or completed such an investigation regarding the action or claim before it receives the report.

Sec. 72. 1. If the Board receives a report pursuant to the provisions of NRS 633.526, 690B.045, 690B.050 or section 70 of this act indicating that a judgment has been rendered or an award has been made against an osteopathic physician regarding an action or claim for malpractice or that such an action or claim against the osteopathic physician has been resolved by settlement, the Board may order that the osteopathic physician undergo a mental or physical examination or an examination testing his competence to practice medicine by osteopathic physicians or other examinations designated by the Board to assist the Board or any investigative committee of the Board in determining the fitness of the osteopathic physician to practice medicine.

2. For the purposes of this section:

- (a) Every osteopathic physician who applies for a license or who holds a license under this chapter shall be deemed to have given his consent to submit to a mental or physical examination or an examination testing his competence to practice medicine when ordered to do so in writing by the Board.
- (b) The testimony or reports of the examining osteopathic physician are not privileged communications.
- Sec. 73. 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other



information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.

2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.

**Sec. 74.** NRS 633.286 is hereby amended to read as follows:

- 633.286 1. On or before February 15 of each odd-numbered year, the Board shall submit to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a written report compiling:
- (a) Disciplinary action taken by the Board during the previous biennium against osteopathic physicians for malpractice or negligence; and
- (b) Information reported to the Board during the previous biennium pursuant to NRS 633.526, subsections 2 and 3 of NRS 633.533 and NRS 690B.045 [...] and 690B.050 and section 70 of this act.
- 2. The report must include only aggregate information for statistical purposes and exclude any identifying information related to a particular person.

**Sec. 75.** NRS 633.301 is hereby amended to read as follows:

- 633.301 The Board shall keep a record of its proceedings relating to licensing and disciplinary actions. [The record shall] Except as otherwise provided in section 73 of this act, the record must be open to public inspection at all reasonable times and [shall also] contain the name, known place of business and residence, and the date and number of the license of every osteopathic physician licensed under this chapter.
- **Sec. 76.** NRS 633.511 is hereby amended to read as follows: 633.511 The grounds for initiating disciplinary action pursuant to this chapter are:
  - 1. Unprofessional conduct.
  - 2. Conviction of:
- (a) A violation of any federal or state law regulating the possession, distribution or use of any controlled substance or any dangerous drug as defined in chapter 454 of NRS;
  - (b) A felony;

- (c) A violation of any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive; or
  - (d) Any offense involving moral turpitude.
- 43 3. The suspension of the license to practice osteopathic 44 medicine by any other jurisdiction.



- 4. Gross or repeated malpractice, which may be evidenced by claims of malpractice settled against a practitioner.
  - 5. Professional incompetence.

6. Failure to comply with the requirements of [NRS 633.526.] section 70 of this act.

**Sec. 77.** NRS 633.526 is hereby amended to read as follows:

- 633.526 1. The insurer of an osteopathic physician licensed under this chapter [and the osteopathic physician must] shall report to the Board [any action filed or claim]:
- (a) Any action for malpractice against the osteopathic physician not later than 45 days after the osteopathic physician receives service of a summons and complaint for the action;
- (b) Any claim for malpractice against the osteopathic physician that is submitted to arbitration or mediation [for malpractice or negligence against the osteopathic physician and the] not later than 45 days after the claim is submitted to arbitration or mediation; and
- (c) Any settlement, award, judgment or other disposition of [the] any action or claim [within 30 days after:
- (a) The action was filed or the claim was submitted to arbitration or mediation; and
- (b) The disposition of the action or claim.] described in paragraph (a) or (b) not later than 45 days after the settlement, award, judgment or other disposition.
- 2. The Board shall report any failure to comply with subsection 1 by an insurer licensed in this state to the Division of Insurance of the Department of Business and Industry. If, after a hearing, the Division of Insurance determines that any such insurer failed to comply with the requirements of subsection 1, the Division may impose an administrative fine of not more than \$10,000 against the insurer for each such failure to report. If the administrative fine is not paid when due, the fine must be recovered in a civil action brought by the Attorney General on behalf of the Division.
  - **Sec. 78.** NRS 633.651 is hereby amended to read as follows:
- 633.651 1. The person charged in a formal complaint is entitled to a hearing before the Board, but the failure of the person charged to attend his hearing or his failure to defend himself must not delay or void the proceedings. The Board may, for good cause shown, continue any hearing from time to time.
- 2. If the Board finds the person guilty as charged in the formal complaint, it [may] shall by order [:] take one or more of the following actions:
- (a) Place the person on probation for a specified period or until further order of the Board.
  - (b) Administer to the person a public reprimand.



(c) Limit the practice of the person to, or by the exclusion of, one or more specified branches of osteopathic medicine.

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- (d) Suspend the license of the person to practice osteopathic medicine for a specified period or until further order of the Board.
- (e) Revoke the license of the person to practice osteopathic medicine.

The order of the Board may contain such other terms, provisions or conditions as the Board deems proper and which are not inconsistent with law.

- 3. The Board shall not administer a private reprimand.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 79.** Chapter 634 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.

**Sec. 80.** NRS 634.190 is hereby amended to read as follows:

- 634.190 1. The person charged is entitled to a hearing before the Board, but the failure of the person charged to attend his hearing or his failure to defend himself does not delay or void the proceedings. The Board may, for good cause shown, continue any hearing from time to time.
- 2. If the Board finds the person guilty as charged in the complaint, it may by order:
- (a) Place the person on probation for a specified period or until further order of the Board.
  - (b) Administer to the person a public [or private] reprimand.
- (c) Limit the practice of the person to, or by the exclusion of, one or more specified branches of chiropractic.
- (d) Suspend the license of the person to practice chiropractic for a specified period or until further order of the Board.
  - (e) Revoke the license of the person to practice chiropractic.
- (f) Impose a fine of not more than \$10,000, which must be deposited with the State Treasurer for credit to the State General Fund.
- 43 [(g) Require the person to pay all costs incurred by the Board 44 relating to the discipline of the person.]



The order of the Board may contain such other terms, provisions or conditions as the Board deems proper and which are not inconsistent with law.

- 3. If the Board finds that a licensee has violated the provisions of NRS 439B.425, the Board shall suspend his license for a specified period or until further order of the Board.
  - The Board shall not administer a private reprimand.
- 5. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

**Sec. 81.** NRS 634.212 is hereby amended to read as follows: 634.212 1. The Board shall keep a record of its proceedings relating to licensing and disciplinary actions. [These] Except as otherwise provided in section 79 of this act, the records must be open to public inspection at all reasonable times and must contain the name, known place of business and residence, and the date and number of the license of every chiropractor licensed under this

chapter. The Board may keep such other records as it deems desirable. 18

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- 2. Except as *otherwise* provided in this subsection, all information pertaining to the personal background, medical history or financial affairs of an applicant or licensee which the Board requires to be furnished to it under this chapter, or which it otherwise obtains, is confidential and may be disclosed in whole or in part only as necessary in the course of administering this chapter or upon the order of a court of competent jurisdiction. The Board may, under procedures established by regulation, permit the disclosure of this information to any agent of the Federal Government, of another state or of any political subdivision of this state who is authorized to receive it.
- 3. Notice of the disclosure and the contents of the information disclosed pursuant to subsection 2 must be given to the applicant or licensee who is the subject of that information.
- **Sec. 82.** Chapter 634A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.



- **Sec. 83.** NRS 634A.250 is hereby amended to read as follows: 634A.250 [1.] In addition to any other penalties prescribed by law, the Board may, after notice and hearing, impose upon any person who violates any provision of this chapter or the regulations adopted pursuant thereto an administrative fine of not more than \$2,500.
- [2. If discipline is imposed pursuant to this chapter, the costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Board.]
- **Sec. 84.** Chapter 635 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - **Sec. 85.** NRS 635.130 is hereby amended to read as follows:
- 635.130 1. The Board, after notice and hearing, and upon any cause enumerated in subsection 2, may take one or more of the following disciplinary actions:
- (a) Deny an application for a license or refuse to renew a license.
  - (b) Suspend or revoke a license.

- (c) Place a licensee on probation.
- (d) Impose a fine not to exceed \$5,000.
- [(e) Require the licensee to pay all costs incurred by the Board relating to the discipline of the licensee.]
- 2. The Board may take disciplinary action against a licensee for any of the following causes:
- (a) The making of a false statement in any affidavit required of the applicant for application, examination or licensure pursuant to the provisions of this chapter.
- (b) Lending the use of the holder's name to an unlicensed person.
- (c) If the holder is a podiatric physician, his permitting an unlicensed person in his employ to practice as a podiatry hygienist.
- (d) Habitual indulgence in the use of alcohol or any controlled substance which impairs the intellect and judgment to such an extent



as in the opinion of the Board incapacitates the holder in the performance of his professional duties.

- (e) Conviction of a crime involving moral turpitude.
- (f) Conviction of violating any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive.
- (g) Conduct which in the opinion of the Board disqualifies him to practice with safety to the public.
- (h) The commission of fraud by or on behalf of the licensee regarding his license or practice.
  - (i) Gross incompetency.

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- (j) Affliction of the licensee with any mental or physical disorder which seriously impairs his competence as a podiatric physician or podiatry hygienist.
- (k) False representation by or on behalf of the licensee regarding his practice.
  - (1) Unethical or unprofessional conduct.
- (m) Willful or repeated violations of this chapter or regulations adopted by the Board.
- (n) Willful violation of the regulations adopted by the State Board of Pharmacy.
  - **Sec. 86.** NRS 635.180 is hereby amended to read as follows:
- 635.180 Except as otherwise provided in NRS 635.167, every person who practices podiatry or as a podiatry hygienist without having complied with the provisions of this chapter must be fined not more than \$10,000 for each offense. [and may be required to pay all costs incurred by the Board relating to the discipline of the person.]
- **Sec. 87.** Chapter 636 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 40 **Sec. 88.** NRS 636.105 is hereby amended to read as follows:
  - 636.105 1. The Executive Director shall make and keep:
- 42 (a) A record of all meetings and proceedings of the Board.
- 43 (b) A record of all prosecutions and violations of this chapter.
- 44 (c) A record of the results of all examinations of applicants.
- 45 (d) A register of all licensees.



- (e) An inventory of all property of the Board and all property of the State in the Board's possession.
- 2. [All] Except as otherwise provided in section 87 of this act, records of the Board are subject to public inspection.
- 3. All records of the Board must be kept in the office of the Board.
  - **Sec. 89.** NRS 636.325 is hereby amended to read as follows:
- 636.325 1. Upon conclusion of the hearing, or waiver thereof by the licensee against whom the charge is filed, the Board shall make and announce its decision. If the Board determines that the allegations included in the charge are true, it may [, in the exercise of reasonable discretion,] take any one or more of the following actions:
  - (a) [Reprimand] Publicly reprimand the licensee;
- (b) Place the licensee on probation for a specified or unspecified period;
- (c) Suspend the licensee from practice for a specified or unspecified period;
  - (d) Revoke the licensee's license; or

- (e) Impose an administrative fine pursuant to the provisions of NRS 636.420. [and order the licensee to pay any costs or fees incurred by the Board in connection with the hearing.]
- The Board may, in connection with a reprimand, probation or suspension, impose such other terms or conditions as it deems necessary.
- 2. If the Board determines that the allegations included in the charge are false or do not warrant disciplinary action, it shall dismiss the charge.
  - 3. The Board shall not privately reprimand a licensee.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 90.** Chapter 637 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - **Sec. 91.** NRS 637.085 is hereby amended to read as follows: 637.085 1. Except as otherwise provided in subsection 2, *and*
- 44 637.085 1. Except as otherwise provided in subsection 2, *and* 45 *section 90 of this act*, all applications for licensure, any charges



filed by the Board, financial records of the Board, formal hearings on any charges heard by the Board or a panel selected by the Board, records of the hearings and any order or decision of the Board or panel must be open to the public.

- 2. [The] Except as otherwise provided in section 90 of this act, the following may be kept confidential:
- (a) Any statement, evidence, credential or other proof submitted in support of or to verify the contents of an application.
  - (b) [All investigations and records of investigations.
- (e)] Any report concerning the fitness of any person to receive or hold a license to practice ophthalmic dispensing.
  - (c) Any communication between:

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- (1) The Board and any of its committees or panels; and
- (2) The Board or its staff, investigators, experts, committees, panels, hearing officers, advisory members or consultants and counsel for the Board.
- [(e)] (d) Any other information or records in the possession of the Board.
- 3. This section does not prohibit the Board from communicating or cooperating with any other licensing board or agency or any agency which is investigating a licensee, including a law enforcement agency.
  - **Sec. 92.** NRS 637.150 is hereby amended to read as follows:
- 637.150 *1.* Upon proof to the satisfaction of the Board that an applicant or holder of a license:
  - [1.] (a) Has been adjudicated insane;
  - [2.] (b) Habitually uses any controlled substance or intoxicant;
- [3.] (c) Has been convicted of a crime involving moral turpitude;
- [4.] (d) Has been convicted of violating any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive:
- 33 [5.] (e) Has advertised in any manner which would tend to deceive, defraud or mislead the public;
  - [6.] (f) Has presented to the Board any diploma, license or certificate that has been signed or issued unlawfully or under fraudulent representations, or obtains or has obtained a license to practice in the State through fraud of any kind;
  - [7.] (g) Has been convicted of a violation of any federal or state law relating to a controlled substance;
    - [8.] (h) Has violated any regulation of the Board;
  - (i) Has violated any provision of this chapter;
- 43 [10.] (j) Is incompetent;
- 44 [11.] (k) Is guilty of unethical or unprofessional conduct as determined by the Board;



- [12.] (1) Is guilty of repeated malpractice, which may be evidenced by claims of malpractice settled against a practitioner; or
- [13.] (m) Is guilty of a fraudulent or deceptive practice as determined by the Board,
- the Board may, in the case of an applicant, refuse to grant him a license, or may, in the case of a holder of a license, place him on probation, reprimand him [privately or] publicly, require him to pay an administrative fine of not more than \$10,000, suspend or revoke his license, or take any combination of these disciplinary actions.
- 2. The Board shall not privately reprimand a holder of a license.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 93.** Chapter 637A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- **Sec. 94.** NRS 637A.290 is hereby amended to read as follows: 637A.290 1. The holder of any license issued by the Board whose default has been entered or who has been heard by the Board and found guilty of the violation alleged in the complaint may be disciplined by the Board by one or more of the following methods:
- (a) Placing the licensee on probation for a period not to exceed 2 years;
- (b) Suspending the right of the licensee to practice, or the right to use a license, for a period not to exceed 3 years;
  - (c) Revoking the license;

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- (d) Public [or private] reprimand;
- (e) Imposition of an administrative fine not to exceed \$5,000 upon a finding by the Board of more than one violation;
- (f) [Requiring the licensee to pay the costs incurred by the Board in investigating and disciplining the licensee;
- (g) Requiring the licensee to pay restitution to any person who has suffered an economic loss as a result of a violation of the provisions of this chapter or any regulation adopted by the Board pursuant thereto; or



- [(h)] (g) Requiring the licensee to retake and pass the examination or otherwise demonstrate that he is qualified and competent to practice.
- 2. If a license is suspended, it must be surrendered to the Board and returned to the licensee upon termination of the period of suspension.
  - 3. The Board shall not issue a private reprimand.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 95.** Chapter 637B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - **Sec. 96.** NRS 637B.280 is hereby amended to read as follows:
- 637B.280 1. If, after the hearing, the Board determines that the applicant or licensee has committed any act which constitutes grounds for disciplinary action, the Board may, in the case of the applicant, refuse to issue a license, and in all other cases:
  - [1.] (a) Refuse to renew a license;
  - [2.] (b) Revoke a license;

- [3.] (c) Suspend a license for a definite time, not to exceed 1 year;
  - [4.] (d) Administer to the licensee a public [or private] reprimand; or
    - (e) Impose a civil penalty not to exceed \$1,000.
    - 2. The Board shall not administer a private reprimand.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 97.** Chapter 638 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 43 2. The complaint or other document filed by the Board to 44 initiate disciplinary action and all documents and information



considered by the Board when determining whether to impose discipline are public records.

**Sec. 98.** NRS 638.087 is hereby amended to read as follows:

638.087 1. The Board shall keep a record of:

(a) All charges filed against a licensee;

- (b) The proceedings of any formal hearing conducted by the Board or a hearing officer;
  - (c) Any order filed by the Board; and
- (d) All licenses issued by the Board including the name of the holder of the license, his business and residential addresses, the date the license was issued and the serial number of the license.
- 2. [The] Except as otherwise provided in section 97 of this act, the records of the Board listed in subsection 1 must be open to the public at reasonable times and places.

**Sec. 99.** NRS 638.100 is hereby amended to read as follows:

- 638.100 1. Any person who desires to secure a license to practice veterinary medicine, surgery, obstetrics or dentistry in the State of Nevada must make written application to the Executive Director of the Board.
- 2. The application must include the social security number of the applicant and any other information required by the Board and must be accompanied by satisfactory proof that the applicant:
  - (a) Is of good moral character;
- (b) Except as otherwise provided in subsection 3, has received a diploma conferring the degree of doctor of veterinary medicine or its equivalent from a school of veterinary medicine within the United States or Canada or, if the applicant is a graduate of a school of veterinary medicine located outside the United States or Canada, that he has received an educational certificate issued after December 31, 1972, by the Educational [Committee on] Commission for Foreign Veterinary Graduates of the American Veterinary Medical Association;
- (c) Has passed each examination required by the Board pursuant to NRS 638.110; and
- (d) Is a citizen of the United States or is lawfully entitled to remain and work in the United States.
- 3. A veterinary student in his final year at a school accredited by the American Veterinary Medical Association may submit an application to the Board and take the state examination administered by the Board, but the Board may not issue him a license until he has complied with the requirements of subsection 2.
- 4. The application must be signed by the applicant, notarized and accompanied by a fee set by the Board, not to exceed \$500.



- 5. The Board may refuse to issue a license upon satisfactory proof that the applicant has committed an act which would be a ground for disciplinary action if the applicant were a licensee.
- [6. If an applicant brings a civil action against the Board for denial of a license and the decision of the Board is upheld, the Board may recover all administrative expenses and attorney's fees and costs incurred by the Board in defending the action brought against it.]
  - **Sec. 100.** NRS 638.147 is hereby amended to read as follows:
- 638.147 *I.* If the Board determines that any applicant for a license or any person licensed pursuant to this chapter has committed any of the acts which are grounds for disciplinary action, the Board may:
  - [1.] (a) Refuse to issue a license.
  - [2.] (b) Refuse to renew a license.
  - [3.] (c) Revoke a license.
- [4.] (d) Suspend a license for a definite period or until further order of the Board.
- [5.] (e) Impose a fine in an amount not to exceed \$10,000 for each act which constitutes a ground for disciplinary action.
- [6.] (f) Place a licensee on probation subject to any reasonable conditions imposed by the Board, including requiring courses in continuing education or a periodic or continuous review of his practice.
- [7.] (g) Administer a public for private reprimand.
- $\frac{8}{1}$  reprimand.

- (h) Limit the practice of the licensee to specified branches of veterinary medicine.
- [9.] (i) Require the licensee to take a competency examination or a mental or physical examination.
- [10. Require the licensee to pay all costs incurred by the Board in taking disciplinary action against the licensee.]
  - 2. The Board shall not administer a private reprimand.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 101.** NRS 639.2485 is hereby amended to read as follows:
- 639.2485 1. [Any] Except as otherwise provided in this section, any records or information obtained during the course of an investigation by the Board and any record of the investigation are confidential. [until the investigation is completed. Upon completion of the investigation the information and records are public records, only if:
- 44 (a) Disciplinary action is imposed by the Board as a result of the 45 investigation; or



- (b) The person regarding whom the investigation was made submits a written request to the Board asking that the information and records be made public records.]
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. The Board may disclose to a practitioner and a law enforcement agency information concerning a person who procures or attempts to procure any dangerous drug or controlled substance in violation of NRS 453.391 or 454.311.
- [3.] 4. If the Board receives a request or subpoena for records or information obtained during an investigation by the Board and the records or information is not made public pursuant to subsection [1.] 2, the Board shall notify the person regarding whom the investigation was made of the request or subpoena. If that person does not consent in writing to the release of the records or information, the Board may release the records or information only upon the order of a court of competent jurisdiction.

**Sec. 102.** NRS 639.255 is hereby amended to read as follows:

- 639.255 1. The holder of any certificate, license or permit issued by the Board, whose default has been entered or who has been heard by the Board and found guilty of the violations alleged in the accusation, may be disciplined by the Board by one or more of the following methods:
  - (a) Suspending judgment;

- (b) Placing the certificate, license or permit holder on probation;
- (c) Suspending the right of a certificate holder to practice, or the right to use any license or permit, for a period to be determined by the Board:
  - (d) Revoking the certificate, license or permit;
  - (e) Public reprimand; *or*
- (f) Imposition of a fine for each count of the accusation, in accordance with the schedule of fines established pursuant to subsection 3. [; or
- (g) Requiring the certificate, license or permit holder to pay all costs and attorney's fees incurred by the Board relating to the discipline of the person.]
- 2. Such action by the Board is final, except that the propriety of such action is subject to review upon questions of law by a court of competent jurisdiction.
- 3. The Board shall, by regulation, establish a schedule of fines that may be imposed pursuant to paragraph (f) of subsection 1. Each fine must be commensurate with the severity of the applicable violation, but must not exceed \$10,000 for each violation.



4. The Board shall not issue a private reprimand.

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

**Sec. 103.** NRS 640.075 is hereby amended to read as follows: 640.075 1. [Any] Except as otherwise provided in this section, any records or information obtained during the course of an investigation by the Board and any record of the investigation are confidential. [until the investigation is completed. Upon completion of the investigation the information and records are public records, only if:

- (a) Disciplinary action is imposed by the Board as a result of the investigation; or
- (b) The person regarding whom the investigation was made submits a written request to the Board asking that the information and records be made public records.]
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. This section does not prevent or prohibit the Board from communicating or cooperating with another licensing board or any agency that is investigating a licensee, including a law enforcement agency.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 104.** NRS 640.160 is hereby amended to read as follows: 640.160 1. The Board, after [due] notice and hearing, and upon any ground enumerated in subsection 2, may take one or more of the following actions:
- (a) Refuse to issue a license or temporary license to any applicant.
- (b) Refuse to renew the license or temporary license of any
- (c) Suspend or revoke the license or temporary license of any person.
- (d) Place any person who has been issued a license or temporary license on probation.
- (e) Impose an administrative fine which does not exceed \$5,000 on any person who has been issued a license.
- [(f) Require any person who has been issued a license to pay all costs incurred by the Board relating to the discipline of the person.]
- 2. The Board may take action pursuant to subsection 1 if an applicant or person who has been licensed pursuant to this chapter:
- (a) Is habitually drunk or is addicted to the use of a controlled substance.



(b) Has been convicted of violating any state or federal law relating to controlled substances.

- (c) Is, in the judgment of the Board, guilty of immoral or unprofessional conduct.
  - (d) Has been convicted of any crime involving moral turpitude.
- (e) Has been convicted of violating any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive.
- (f) Is guilty, in the judgment of the Board, of gross negligence in his practice as a physical therapist which may be evidenced by claims of malpractice settled against a practitioner.
- (g) Has obtained or attempted to obtain a license by fraud or material misrepresentation.
- (h) Has been declared insane by a court of competent jurisdiction and has not thereafter been lawfully declared sane.
- (i) Has entered into any contract or arrangement which provides for the payment of an unearned fee to any person following his referral of a patient.
- (j) Has employed as a physical therapist any unlicensed physical therapist or physical therapist whose license has been suspended.
- (k) Has had his license to practice physical therapy suspended, revoked or in any way limited by another jurisdiction.
  - (1) Is determined to be professionally incompetent by the Board.
- (m) Has violated any provision of this chapter or the Board's regulations.
- **Sec. 105.** NRS 640A.200 is hereby amended to read as follows:
- 640A.200 1. The Board may, after notice and hearing, suspend, revoke or refuse to issue or renew a license to practice as an occupational therapist or occupational therapy assistant, or may impose conditions upon the use of that license, if the Board determines that the holder of or applicant for the license is guilty of unprofessional conduct which has endangered or is likely to endanger the public health, safety or welfare. The Board may reinstate a revoked license upon application by the person to whom the license was issued not less than 1 year after the license is revoked.
- 2. If the Board receives a report pursuant to subsection 5 of NRS 228.420, a hearing must be held to consider the report within 30 days after receiving the report.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - 4. As used in this section, "unprofessional conduct" includes:
- (a) The obtaining of a license by fraud or through the misrepresentation or concealment of a material fact;



- (b) The conviction of any crime, except a misdemeanor which does not involve moral turpitude; and
- (c) The violation of any provision of this chapter or regulation of the Board adopted pursuant to this chapter.

Sec. 106. NRS 640A.220 is hereby amended to read as follows:

640A.220 [Anv]

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- 1. Except as otherwise provided in this section, any records or information obtained during the course of an investigation by the Board are confidential. [until the investigation is completed. Upon completion of the investigation, the records and information are public records if:
- 1. Disciplinary action is imposed by the Board as a result of the investigation; or
- 2. The person under investigation submits a written request to the Board asking that the information and records be made]
- 2. The complaint or other document filed by the Board to 17 initiate disciplinary action and all documents and information 18 considered by the Board when determining whether to impose 19 discipline are public records.
  - **Sec. 107.** NRS 641.090 is hereby amended to read as follows: 641.090 1. The Secretary-Treasurer shall make and keep on behalf of the Board:
    - (a) A record of all its meetings and proceedings.
  - (b) A record of all violations and prosecutions under the provisions of this chapter.
    - (c) A record of all examinations of applicants.
    - (d) A register of all licenses.
    - (e) A register of all holders of licenses.
  - (f) An inventory of the property of the Board and of the State in the Board's possession.
  - 2. These records must be kept in the office of the Board and, except as otherwise provided in NRS 641.255, are subject to public inspection during normal working hours upon reasonable notice.
  - 3. The Board may keep the personnel records of applicants confidential.
    - **Sec. 108.** NRS 641.240 is hereby amended to read as follows:
- 641.240 1. If the Board, a panel of its members or a hearing 38 officer appointed by the Board finds the person guilty as charged in 39 40 the complaint, it may: 41
  - [1.] (a) Administer a public [or private reprimand.
- 42 <del>2.]</del> reprimand.
- (b) Limit his practice. 43
- [3.] (c) Suspend his license for a period of not more than 1 year. 44
- [4.] (d) Revoke his license. 45



[5.] (e) Impose a fine of not more than \$5,000.

- [6.] (f) Revoke or suspend his license and impose a monetary penalty.
- [7.] (g) Suspend the enforcement of any penalty by placing him on probation. The Board may revoke the probation if the person does not follow any conditions imposed.
- [8.] (h) Require the person to submit to the supervision of or counseling or treatment by a person designated by the Board. The person named in the complaint is responsible for any expense incurred.
- [9.] (i) Impose and modify any conditions of probation for the protection of the public or the rehabilitation of the probationer.
- [10.] (j) Require the person to pay for the costs of remediation or restitution.
- [11. Assess the costs of the disciplinary proceedings, including any investigations.]
  - 2. The Board shall not administer a private reprimand.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - **Sec. 109.** NRS 641.255 is hereby amended to read as follows: 641.255 [All]
- 1. Except as otherwise provided in subsection 2, all complaints filed with the Board, all information relating to a complaint and all information relating to an investigation conducted to determine whether to initiate disciplinary action are confidential, except to the extent necessary for the conduct of an investigation. [, until the Board determines whether to proceed with any action authorized under this chapter. If the Board proceeds with any action, confidentiality is no longer required.]
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- **Sec. 110.** NRS 641A.191 is hereby amended to read as follows:
- 641A.191 1. [Any] Except as otherwise provided in this section, any records or information obtained during the course of an investigation by the Board and any record of the investigation are confidential. [until the investigation is completed. Except as otherwise provided in NRS 641A.315, upon completion of the investigation the information and records are public records, only if:
- 42 (a) Disciplinary action is imposed by the Board as a result of the 43 investigation; or



- (b) The person regarding whom the investigation was made submits a written request to the Board asking that the information and records be made public records.]
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. This section does not prohibit the Board from communicating or cooperating with any other licensing board or agency or any agency which is investigating a licensee, including a law enforcement agency.
- **Sec. 111.** NRS 641A.320 is hereby amended to read as follows:
- 641A.320 *I*. The Board may discipline the holder of any license whose default has been entered or who has been heard by the Board and found guilty, by any of the following methods:
- [1.] (a) Placing him upon probation for a period to be determined by the Board.
  - (b) Suspending his license for not more than 1 year.
- [3.] (c) Revoking his license.

- [4.] (d) Administering a [private or] public reprimand.
- [5.] (e) Limiting his practice.
- 23 [6.] (f) Imposing an administrative fine of not more than 24 \$5,000.
  - [7.] (g) Requiring him to complete successfully another examination.
  - [8. Requiring him to pay the costs incurred by the Board to conduct the hearing.]
    - 2. The Board shall not administer a private reprimand.
  - 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
  - **Sec. 112.** NRS 641B.430 is hereby amended to read as follows:
  - 641B.430 1. The defendant licensee must be accorded the right to appear at the hearing of a complaint conducted by the Board in person and through the representation of legal counsel. He must be given adequate opportunity to confront the witnesses against him, testify and introduce the testimony of witnesses in his behalf and submit arguments and briefs in person or through his counsel. The Board shall make and announce its decision as soon as practicable.
  - 2. The failure of the person charged to attend his hearing or defend himself must not delay and does not void the proceedings. The Board may, for good cause shown, continue any hearing from time to time.



3. If the Board finds the person guilty as charged in the complaint, it may by order:

- (a) Place the person on probation for a specified period or until further order of the Board.
  - (b) Administer to the person a public [or private] reprimand.
- (c) Limit the practice of the person to, or by exclusion of, one or more specified branches of social work.
- (d) Suspend the license of the person to practice social work for a specified period or until further order of the Board.
  - (e) Revoke the license of the person to practice social work.
- (f) Impose a fine of not more than \$5,000, which must be deposited with the State Treasurer for credit to the State General Fund.
- [(g) Require the person to pay all costs incurred by the Board relating to the discipline of the person.]
- The order of the Board may contain other terms, provisions or conditions as the Board deems proper and which are not inconsistent with law.
  - 4. The Board shall not administer a private reprimand.
- 5. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 113.** NRS 641C.720 is hereby amended to read as follows:
- 641C.720 1. The Board or any of its members who become aware of any ground for initiating disciplinary action against a person engaging in the practice of counseling alcohol and drug abusers in this state shall, and any other person who is so aware may, file a written complaint specifying the relevant facts with the Board. The complaint must specifically charge one or more of the grounds for initiating disciplinary action.
- 2. As soon as practicable after the filing of the complaint, the Board shall set a date for a hearing thereon. The date must not be earlier than 30 days after the complaint is filed, except that the date may be changed upon agreement of the parties. The Board shall immediately notify the licensed or certified counselor or certified intern of the complaint and the date and place set for the hearing. A copy of the complaint must be attached to the notice.
- 3. The failure of the licensed or certified counselor or certified intern to appear at the hearing does not delay or void the proceeding.
- 4. The Board may, for good cause, continue a hearing from time to time.
- 5. If, after notice and a hearing, the Board determines that the licensed or certified counselor or certified intern has violated a provision of this chapter or any regulation adopted pursuant to this chapter, it may:



(a) Administer a public [or private] reprimand;

- (b) Suspend his license or certificate and impose conditions for the removal of the suspension;
- (c) Revoke his license or certificate and prescribe the requirements for the reinstatement of the license or certificate;
- (d) If he is a licensed or certified counselor, require him to be supervised by another person while he engages in the practice of counseling alcohol and drug abusers;
- (e) Require him to participate in treatment or counseling and pay the expenses of that treatment or counseling;
- (f) Require him to pay restitution to any person adversely affected by his acts or omissions;
  - (g) Impose a fine of not more than \$5,000; or
- (h) [Require him to pay the costs of the Board for the investigation and hearing; or
  - (i)] Take any combination of the actions authorized by paragraphs (a) to  $\frac{(h)}{(g)}$ , inclusive.
- 6. If his license or certificate is revoked or suspended pursuant to subsection 5, the licensed or certified counselor or certified intern may apply to the Board for a rehearing within 10 days after the license or certificate is revoked or suspended. The licensed or certified counselor or certified intern may apply to the Board for reinstatement of his revoked license or certificate not earlier than 1 year after the license or certificate is revoked. The Board may accept or reject the application and may require the successful completion of an examination as a condition of reinstatement of the license or certificate.
  - 7. The Board shall not administer a private reprimand.
- 8. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 114.** NRS 641C.760 is hereby amended to read as follows:
- 641C.760 1. [Any] Except as otherwise provided in this section, any records or information obtained during the course of an investigation by the Board and any record of the investigation are confidential. [until the investigation is completed. Upon completion of the investigation, the information and records are public records if:
- (a) Disciplinary action is imposed by the Board as a result of the investigation; or
- (b) The person regarding whom the investigation was made submits a written request to the Board asking that the information and records be made public records.]
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information



considered by the Board when determining whether to impose discipline are public records.

- 3. If the Board receives a request or subpoena for records or information obtained during an investigation by the Board and the records or information is not made public pursuant to subsection [1,] 2, the Board shall notify the person regarding whom the investigation was made of the request or subpoena. If that person does not consent in writing to the release of the records or information, the Board may release the records or information only upon the order of a court of competent jurisdiction.
- **Sec. 115.** Chapter 642 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - **Sec. 116.** NRS 642.135 is hereby amended to read as follows:
- 642.135 *I.* If the Board determines that a person who is licensed to practice the profession of embalming pursuant to this chapter has committed any of the acts set forth in NRS 642.130, the Board may:
  - [1.] (a) Refuse to renew his license;
  - [2.] (b) Revoke his license;
- [3.] (c) Suspend his license for a definite period or until further order of the Board;
- [4.] (d) Impose a fine of not more than \$5,000 for each act which constitutes a ground for disciplinary action;
- [5.] (e) Place him on probation for a definite period subject to any reasonable conditions imposed by the Board;
  - [6.] (f) Administer a public for private reprimand;
  - 7. Require him to pay the costs incurred by the Board in taking disciplinary action against him; or
- $\frac{8.1}{1}$  reprimand; or

- (g) Impose any combination of disciplinary actions set forth in this section.
  - 2. The Board shall not administer a private reprimand.
- 42 3. An order that imposes discipline and the findings of fact 43 and conclusions of law supporting that order are public records.



- **Sec. 117.** NRS 642.473 is hereby amended to read as follows:
- 642.473 1. If the Board determines that a person who holds a funeral director's license, a permit to operate a funeral establishment or a license to conduct direct cremations or immediate burials has committed any of the acts set forth in NRS 642.470, the Board may:
  - (a) Refuse to renew his license or permit;
  - (b) Revoke his license or permit;

- (c) Suspend his license or permit for a definite period or until further order of the Board;
- (d) Impose a fine of not more than \$5,000 for each act that constitutes a ground for disciplinary action;
- (e) Place him on probation for a definite period subject to any reasonable conditions imposed by the Board;
  - (f) Administer a public [or private] reprimand; or
- (g) [Require him to pay the costs incurred by the Board in taking disciplinary action against him; or
- $\frac{\text{(h)}}{\text{(m)}}$  Impose any combination of disciplinary actions set forth in paragraphs (a) to  $\frac{\text{(g)}}{\text{(f)}}$ , inclusive.
- 2. Before the Board may refuse to renew, or suspend or revoke a license or permit for any of the acts set forth in NRS 642.470, the Board shall give at least 10 days' notice in writing to the licensee or holder of the permit. The notice must contain a brief statement of the reasons for the proposed action of the Board and designate a time and place for a hearing before any final action is taken.
  - 3. The Board shall not administer a private reprimand.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 118.** Chapter 643 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- **Sec. 119.** NRS 643.185 is hereby amended to read as follows: 643.185 1. The following are grounds for disciplinary action by the Board:
- 42 (a) Violation by any person licensed pursuant to the provisions 43 of this chapter of any provision of this chapter or the regulations 44 adopted by the Board.
  - (b) Conviction of a felony.



(c) Malpractice or incompetency.

- (d) Continued practice by a person knowingly having an infectious or contagious disease.
- (e) Advertising, practicing or attempting to practice under another's name or trade name.
  - (f) Drunkenness or addiction to a controlled substance.
- 2. If the Board determines that a violation of this section has occurred, it may:
  - (a) Refuse to issue or renew a license;
  - (b) Revoke or suspend a license; *and*
  - (c) Impose a fine of not more than \$1,000. [; and
- (d) Require the person to pay all costs incurred by the Board relating to the discipline of the person.]
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 120.** Chapter 644 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - **Sec. 121.** NRS 644.080 is hereby amended to read as follows: 644.080 The Board:
- 1. Shall prescribe the duties of its officers, examiners and employees, and fix the compensation of those employees.
- 2. May establish offices in as many localities in the State as it finds necessary to carry out the provisions of this chapter. All records and files of the Board must be kept at the main office of the Board and, *except as otherwise provided in section 120 of this act*, be open to public inspection at all reasonable hours.
  - 3. May adopt a seal.
- 4. May issue subpoenas to compel the attendance of witnesses and the production of books and papers.
- **Sec. 122.** NRS 644.430 is hereby amended to read as follows: 644.430 1. The following are grounds for disciplinary action by the Board:
- (a) Failure of an owner of a cosmetological establishment, a licensed aesthetician, cosmetologist, hair designer, electrologist, instructor, manicurist, demonstrator of cosmetics or school of cosmetology, or a cosmetologist's apprentice to comply with the



- 1 requirements of this chapter or the applicable regulations adopted by 2 the Board.
  - (b) Obtaining practice in cosmetology or any branch thereof, for money or any thing of value, by fraudulent misrepresentation.
    - (c) Gross malpractice.

- (d) Continued practice by a person knowingly having an infectious or contagious disease.
- (e) Drunkenness or the use or possession, or both, of a controlled substance or dangerous drug without a prescription, while engaged in the practice of cosmetology.
- (f ) Advertisement by means of knowingly false or deceptive statements.
- (g) Permitting a license to be used where the holder thereof is not personally, actively and continuously engaged in business.
- (h) Failure to display the license as provided in NRS 644.290, 644.360 and 644.410.
- (i) Entering, by a school of cosmetology, into an unconscionable contract with a student of cosmetology.
- (j ) Continued practice of cosmetology or operation of a cosmetological establishment or school of cosmetology after the license therefor has expired.
- (k) Any other unfair or unjust practice, method or dealing which, in the judgment of the Board, may justify such action.
- 2. If the Board determines that a violation of this section has occurred, it may:
  - (a) Refuse to issue or renew a license;
  - (b) Revoke or suspend a license;
  - (c) Place the licensee on probation for a specified period; or
  - (d) Impose a fine not to exceed \$1,000.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 123.** Chapter 645 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Commission alleging a violation of this chapter, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Commission to initiate disciplinary action and all documents and information considered by the Commission when determining whether to impose discipline are public records.



**Sec. 124.** NRS 645.180 is hereby amended to read as follows: 645.180 1. The Division shall adopt a seal by which it shall authenticate its proceedings.

- 2. [Records] Except as otherwise provided in section 123 of this act, records kept in the office of the Division under authority of this chapter are open to public inspection under regulations adopted by the [Real Estate] Division, except that the Division may refuse to make public, unless ordered to do so by a court:
- (a) Real estate brokers' and real estate salesmen's examinations; and
- (b) [Files compiled by the Division while investigating possible violations of this chapter or chapter 119 of NRS; and
- (e) The criminal and financial records of licensees, applicants for licenses and owner-developers.
- 3. Copies of all records and papers in the office of the Division, certified and authenticated by the seal of the Division, must be received in evidence in all courts equally and with like effect as the originals.

**Sec. 125.** NRS 645.630 is hereby amended to read as follows:

- 645.630 *I*. The Commission may require a licensee, property manager or owner-developer to pay an administrative fine of not more than \$5,000 for each violation he commits or suspend, revoke, deny the renewal of or place conditions upon his license, permit or registration, or impose any combination of those actions, at any time if the licensee, property-manager or owner-developer has, by false or fraudulent representation, obtained a license, permit or registration, or the licensee, property manager or owner-developer, whether or not acting as such, is found guilty of:
  - [1.] (a) Making any material misrepresentation.
- [2.] (b) Making any false promises of a character likely to influence, persuade or induce.
- [3.] (c) Accepting a commission or valuable consideration as a real estate broker-salesman or salesman for the performance of any of the acts specified in this chapter or chapter 119 or 119A of NRS from any person except the licensed real estate broker with whom he is associated or the owner-developer by whom he is employed.
- [4.] (d) Representing or attempting to represent a real estate broker other than the broker with whom he is associated, without the express knowledge and consent of the broker with whom he is associated.
- [5.] (e) Failing to maintain, for review and audit by the Division, each brokerage agreement governed by the provisions of this chapter and entered into by the licensee.



[6.] (f) Failing, within a reasonable time, to account for or to remit any money which comes into his possession and which belongs to others.

[7.] (g) If he is required to maintain a trust account:

(a) Failing to balance the trust account at least monthly; and

[(b)] (2) Failing to submit to the Division an annual accounting of the trust account as required in NRS 645.310.

[8.] (h) Commingling the money or other property of his clients with his own or converting the money of others to his own use.

[9.] (i) In the case of a broker-salesman or salesman, failing to place in the custody of his licensed broker or owner-developer, as soon as possible, any deposit or other money or consideration entrusted to him by any person dealing with him as the representative of his licensed broker.

[10.] (j) Accepting other than cash as earnest money unless that fact is communicated to the owner before his acceptance of the offer to purchase and that fact is shown in the receipt for the earnest money.

[11.] (k) Upon acceptance of an agreement, in the case of a broker, failing to deposit any check or cash received as earnest money before the end of the next banking day unless otherwise provided in the purchase agreement.

[12.] (1) Inducing any party to a brokerage agreement, sale or lease to break it in order to substitute a new brokerage agreement, agreement of sale or lease with the same or another party if the inducement to make the substitution is offered to secure personal gain to the licensee or owner-developer.

[If discipline is imposed pursuant to this section, the costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Board.]

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

**Sec. 126.** NRS 645.990 is hereby amended to read as follows: 645.990 1. A person who:

- (a) Obtains or attempts to obtain a license pursuant to this chapter by means of intentional misrepresentation, deceit or fraud; or
- (b) Sells or attempts to sell in this state any interest in real property by means of intentional misrepresentation, deceit or fraud.

42 is guilty of a category D felony and shall be punished as provided in 43 NRS 193.130. In addition to any other penalty, the court shall order 44 the person to pay restitution.



2. Any licensee, permittee or owner-developer who commits an act described in NRS 645.630, 645.633 or 645.635 shall be punished by a fine of not more than \$5,000 for each offense.

- 3. A person who violates any other provision of this chapter, if a natural person, is guilty of a gross misdemeanor, and if a limited-liability company, partnership, association or corporation, shall be punished by a fine of not more than \$2,500.
- 4. Any officer or agent of a corporation, or member or agent of a limited-liability company, partnership or association, who personally participates in or is an accessory to any violation of this chapter by the limited-liability company, partnership, association or corporation, is subject to the penalties prescribed in this section for natural persons.
- 5. The provisions of this section do not release a person from civil liability or criminal prosecution pursuant to the general laws of this state.
- 6. The Administrator may prefer a complaint for violation of NRS 645.230 before any court of competent jurisdiction and may take the necessary legal steps through the proper legal officers of this state to enforce the provisions thereof.
- 7. Any court of competent jurisdiction may try any violation of this chapter, and upon conviction, the court may revoke or suspend the license of the person so convicted, in addition to imposing the other penalties provided in this section.
- [8. If discipline is imposed pursuant to this section, the costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Administrator.]
- **Sec. 127.** Chapter 645A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Commissioner, all documents and other information filed with the complaint and all documents and other information compiled as a result of the investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Commissioner to initiate disciplinary action and all documents and information considered by the Commissioner when determining whether to impose discipline are public records.
- **Sec. 128.** NRS 645A.050 is hereby amended to read as follows:
- 645A.050 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over escrow agents and agencies doing business in the State of Nevada.



2. In addition to the other duties imposed upon him by law, the Commissioner shall:

- (a) Adopt such regulations as may be necessary for making this chapter effective.
- (b) Conduct or cause to be conducted each year an examination of each escrow agency licensed pursuant to this chapter.
- (c) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter.
- (d) Conduct such examinations, investigations and hearings, in addition to those specifically provided for by law, as may be necessary and proper for the efficient administration of the laws of this state relating to escrow.
- (e) Classify as confidential the financial statements of an escrow agency and those records and information obtained by the Division which:
- (1) Are obtained from a governmental agency upon the express condition that they remain confidential.
- (2) [Consist] Except as otherwise provided in section 127 of this act, consist of information compiled by the Division in the investigation of possible violations of this chapter.

This paragraph does not limit examination by the Legislative Auditor or any other person pursuant to a court order.

- 3. An escrow agency may engage a certified public accountant to perform such an examination in lieu of the Division. In such a case, the examination must be equivalent to the type of examination made by the Division and the expense must be borne by the escrow agency being examined.
- 4. The Commissioner shall determine whether an examination performed by an accountant pursuant to subsection 3 is equivalent to an examination conducted by the Division. The Commissioner may examine any area of the operation of an escrow agency if the Commissioner determines that the examination of that area is not equivalent to an examination conducted by the Division.
- **Sec. 129.** NRS 645A.090 is hereby amended to read as follows:
- 645A.090 1. The Commissioner may refuse to license any escrow agent or agency or may suspend or revoke any license or impose a fine of not more than \$500 for each violation by entering an order to that effect, with his findings in respect thereto, if upon a hearing, it is determined that the applicant or licensee:
  - (a) In the case of an escrow agency, is insolvent;
- (b) Has violated any provision of this chapter or any regulation adopted pursuant thereto or has aided and abetted another to do so;



(c) In the case of an escrow agency, is in such a financial condition that he cannot continue in business with safety to his customers:

- (d) Has committed fraud in connection with any transaction governed by this chapter;
- (e) Has intentionally or knowingly made any misrepresentation or false statement to, or concealed any essential or material fact from, any principal or designated agent of a principal in the course of the escrow business;
- (f) Has intentionally or knowingly made or caused to be made to the Commissioner any false representation of a material fact or has suppressed or withheld from the Commissioner any information which the applicant or licensee possesses;
- (g) Has failed without reasonable cause to furnish to the parties of an escrow their respective statements of the settlement within a reasonable time after the close of escrow;
- (h) Has failed without reasonable cause to deliver, within a reasonable time after the close of escrow, to the respective parties of an escrow transaction any money, documents or other properties held in escrow in violation of the provisions of the escrow instructions;
- (i) Has refused to permit an examination by the Commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter;
- (j) Has been convicted of a felony or any misdemeanor of which an essential element is fraud;
- (k) In the case of an escrow agency, has failed to maintain complete and accurate records of all transactions within the last 6 years;
- (l) Has commingled the money of others with his own or converted the money of others to his own use;
- (m) Has failed, before the close of escrow, to obtain written escrow instructions concerning any essential or material fact or intentionally failed to follow the written instructions which have been agreed upon by the parties and accepted by the holder of the escrow;
- (n) Has failed to disclose in writing that he is acting in the dual capacity of escrow agent or agency and undisclosed principal in any transaction; or
  - (o) In the case of an escrow agency, has:
- (1) Failed to maintain adequate supervision of an escrow agent; or



- (2) Instructed an escrow agent to commit an act which would be cause for the revocation of the escrow agent's license and the escrow agent committed the act. An escrow agent is not subject to disciplinary action for committing such an act under instruction by the escrow agency.
- 2. It is sufficient cause for the imposition of a fine or the refusal, suspension or revocation of the license of a partnership, corporation or any other association that any member of the partnership or any officer or director of the corporation or association has been guilty of any act or omission which would be cause for such action had the applicant or licensee been a natural person.
- 3. The Commissioner may suspend any license for not more than 30 days, pending a hearing, if upon examination into the affairs of the licensee it is determined that any of the grounds enumerated in subsection 1 or 2 exist.
- 4. The Commissioner may refuse to issue a license to any person who, within 10 years before the date of applying for a current license, has had suspended or revoked a license issued pursuant to this chapter or a comparable license issued by any other state, district or territory of the United States or any foreign country.
- 5. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 130.** Chapter 645B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Commissioner, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Commissioner to initiate disciplinary action and all documents and information considered by the Commissioner when determining whether to impose discipline are public records.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 131.** NRS 645B.070 is hereby amended to read as follows:
- 645B.070 1. In the conduct of any examination, periodic or special audit, investigation or hearing, the Commissioner may:
  - (a) Compel the attendance of any person by subpoena.
  - (b) Administer oaths.

(c) Examine any person under oath concerning the business and conduct of affairs of any person subject to the provisions of this



chapter and in connection therewith require the production of any books, records or papers relevant to the inquiry.

- 2. Any person subpoenaed under the provisions of this section who willfully refuses or willfully neglects to appear at the time and place named in the subpoena or to produce books, records or papers required by the Commissioner, or who refuses to be sworn or answer as a witness, is guilty of a misdemeanor and shall be punished as provided in NRS 645B.950.
- 3. [The] In addition to the authority to recover attorney's fees and costs pursuant to any other statute, the Commissioner may assess against and collect from a person all costs, including, without limitation, reasonable attorney's fees, that are attributable to any examination, periodic or special audit, investigation or hearing that is conducted to examine or investigate the conduct, activities or business of the person pursuant to this chapter.
- **Sec. 132.** NRS 645B.090 is hereby amended to read as follows:
- 645B.090 1. Except as otherwise provided in this section or by specific statute, all papers, documents, reports and other written instruments filed with the Commissioner pursuant to this chapter are open to public inspection.
- 2. Except as otherwise provided in subsection 3, the Commissioner may withhold from public inspection or refuse to disclose to a person, for such time as the Commissioner considers necessary, any information that, in his judgment, would:
- (a) Impede or otherwise interfere with an investigation that is currently pending against a mortgage broker;
- (b) Have an undesirable effect on the welfare of the public or the welfare of any mortgage broker or mortgage agent; or
- (c) Give any mortgage broker a competitive advantage over any other mortgage broker.
- 3. [The] Except as otherwise provided in section 130 of this act, the Commissioner shall disclose the following information concerning a mortgage broker to any person who requests it:
- (a) The findings and results of any investigation which has been completed during the immediately preceding 5 years against the mortgage broker pursuant to the provisions of this chapter and which has resulted in a finding by the Commissioner that the mortgage broker committed a violation of a provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner; and
- (b) The nature of any disciplinary action that has been taken during the immediately preceding 5 years against the mortgage broker pursuant to the provisions of this chapter.



**Sec. 133.** NRS 645B.610 is hereby amended to read as follows:

- 645B.610 1. If a person properly files a complaint with the Commissioner pursuant to NRS 645B.600, the Commissioner shall investigate each violation alleged in the complaint, unless the Commissioner has previously investigated the alleged violation.
- 2. Except as otherwise provided in subsection 2 of NRS 645B.090, if the Commissioner does not conduct an investigation of an alleged violation pursuant to subsection 1 because he previously has investigated the alleged violation, the Commissioner shall provide to the person who filed the complaint a written summary of the previous investigation and the nature of any disciplinary action that was taken as a result of the previous investigation.
- 3. If the Commissioner conducts an investigation of an alleged violation pursuant to subsection 1, the Commissioner shall determine from the investigation whether there is reasonable cause to believe that the person committed the alleged violation.
- 4. If, upon investigation, the Commissioner determines that there is not reasonable cause to believe that the person committed the alleged violation, the Commissioner shall provide the reason for his determination, in writing, to the person who filed the complaint and to the person alleged to have committed the violation.
- 5. Except as otherwise provided in subsection 6, if, upon investigation, the Commissioner determines that there is reasonable cause to believe that the person committed the alleged violation, the Commissioner shall:
  - (a) Schedule a hearing concerning the alleged violation;
- (b) Mail to the last known address of the person who filed the complaint written notice that must include, without limitation:
  - (1) The date, time and place of the hearing; and
- (2) A statement of each alleged violation that will be considered at the hearing; and
- (c) By personal service in accordance with the Nevada Rules of Civil Procedure and any applicable provision of NRS, serve written notice of the hearing to the person alleged to have committed the violation. The written notice that is served pursuant to this paragraph must include, without limitation:
  - (1) The date, time and place of the hearing;
- (2) A copy of the complaint and a statement of each alleged violation that will be considered at the hearing; and
- (3) A statement informing the person that, pursuant to NRS 645B.760, if he fails to appear, without reasonable cause, at the hearing:
  - (I) He is guilty of a misdemeanor; and



- (II) The Commissioner is authorized to conduct the hearing in his absence, draw any conclusions that the Commissioner deems appropriate from his failure to appear and render a decision concerning each alleged violation.
- 6. [The Commissioner is not required to schedule or conduct a hearing concerning an alleged violation pursuant to subsection 5 if the Commissioner and the person alleged to have committed the violation enter] If the Commissioner enters into a written consent agreement settling or resolving the alleged violation, [. If such a written consent agreement is executed,] the Commissioner shall provide a copy of the written consent agreement to the person who filed the complaint.
  - 7. The Commissioner may:

- (a) Investigate and conduct a hearing concerning any alleged violation, whether or not a complaint has been filed.
- (b) Hear and consider more than one alleged violation against a person at the same hearing.
- **Sec. 134.** Chapter 645C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Commission, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Commission to initiate disciplinary action and all documents and information considered by the Commission when determining whether to impose discipline are public records.
- **Sec. 135.** NRS 645C.220 is hereby amended to read as follows:
  - 645C.220 1. The Division shall maintain a record of:
- (a) Persons whose applications for a certificate, license or registration card have been denied;
- (b) Investigations conducted by it which result in the initiation of formal disciplinary proceedings;
  - (c) Formal disciplinary proceedings; and
  - (d) Rulings or decisions upon complaints filed with it.
- 2. Except as otherwise provided in this section, *and section* 134 of this act, records kept in the office of the Division pursuant to this chapter are open to the public for inspection pursuant to regulations adopted by the Commission. The Division may keep confidential, unless otherwise ordered by a court:
  - (a) Examinations for a certificate or license; *and*
- 44 (b) [Information obtained by the Division while investigating 45 alleged violations of this chapter; and



— (c) The criminal and financial records of an appraiser or intern, or an applicant for a certificate, license or registration card.

**Sec. 136.** NRS 645C.460 is hereby amended to read as follows:

- 645C.460 1. Grounds for disciplinary action against a certified or licensed appraiser or registered intern include:
  - (a) Unprofessional conduct;

- (b) Professional incompetence;
- (c) A criminal conviction for a felony or any offense involving moral turpitude; and
- (d) The suspension or revocation of a registration card, certificate, license or permit to act as an appraiser in any other jurisdiction.
- 2. If grounds for disciplinary action against an appraiser or intern exist, the Commission may do one or more of the following:
- (a) Revoke or suspend his certificate, license or registration card.
- (b) Place conditions upon his certificate, license or registration card, or upon the reissuance of a certificate, license or registration card revoked pursuant to this section.
- (c) Deny the renewal of his certificate, license or registration card.
  - (d) Impose a fine of not more than \$1,000 for each violation.
- 3. If a certificate, license or registration card is revoked by the Commission, another certificate, license or registration card must not be issued to the same appraiser or intern for at least 1 year after the date of the revocation, or at any time thereafter except in the sole discretion of the Administrator, and then only if the appraiser or intern satisfies all the requirements for an original certificate, license or registration card.
- 4. [If discipline is imposed pursuant to this section, the costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Commission.] An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 137.** Chapter 645D of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Division, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Division to initiate disciplinary action and all documents and information



considered by the Division when determining whether to impose discipline are public records.

- Sec. 138. NRS 645D.130 is hereby amended to read as
  - 645D.130 1. The Division shall maintain a record of:
  - (a) Persons from whom it receives applications for a certificate;
- (b) Investigations conducted by it that result in the initiation of formal disciplinary proceedings;
  - (c) Formal disciplinary proceedings; and

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- (d) Rulings or decisions upon complaints filed with it.
- Except as otherwise provided in this section : and section 137 of this act, records kept in the office of the Division pursuant to this chapter are open to the public for inspection pursuant to regulations adopted by the Division. The Division shall keep confidential, unless otherwise ordered by a court [:
- (a) Information obtained by the Division while investigating alleged violations of this chapter; and
- (b) The the criminal and financial records of an inspector or of an applicant for a certificate.
- Sec. 139. NRS 645D.700 is hereby amended to read as 20 follows:
  - 645D.700 1. Grounds for disciplinary action against a certified inspector are:
    - (a) Unprofessional conduct;
    - (b) Professional incompetence; and
  - (c) A criminal conviction for a felony or any offense involving moral turpitude.
  - 2. If grounds for disciplinary action against a certified inspector exist, the Division may, after providing the inspector with notice and an opportunity for a hearing, do one or more of the following:
    - (a) Revoke or suspend his certificate.
  - (b) Place conditions upon his certificate or upon the reissuance of a certificate revoked pursuant to this section.
    - (c) Deny the renewal of his certificate
    - (d) Impose a fine of not more than \$1,000 for each violation.
    - 3. If a certificate is revoked by the Division, another certificate must not be issued to the same inspector for at least 1 year after the date of the revocation, or at any time thereafter except in the sole discretion of the Administrator, and then only if the inspector satisfies the requirements for an original certificate.
- 42 4. An order that imposes discipline and the findings of fact 43 and conclusions of law supporting that order are public records.



- **Sec. 140.** Chapter 645E of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Commissioner, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Commissioner to initiate disciplinary action and all documents and information considered by the Commissioner when determining whether to impose discipline are public records.
- **Sec. 141.** NRS 645E.310 is hereby amended to read as follows:
- 645E.310 1. In the conduct of any examination, periodic or special audit, investigation or hearing, the Commissioner may:
  - (a) Compel the attendance of any person by subpoena.
  - (b) Administer oaths.

- (c) Examine any person under oath concerning the business and conduct of affairs of any person subject to the provisions of this chapter and , in connection therewith , require the production of any books, records or papers relevant to the inquiry.
- 2. Any person subpoenaed under the provisions of this section who willfully refuses or willfully neglects to appear at the time and place named in the subpoena or to produce books, records or papers required by the Commissioner, or who refuses to be sworn or answer as a witness, is guilty of a misdemeanor.
- 3. [The] In addition to the authority to recover attorney's fees and costs pursuant to any other statute, the Commissioner may assess against and collect from a person all costs, including, without limitation, reasonable attorney's fees, that are attributable to any examination, periodic or special audit, investigation or hearing that is conducted to examine or investigate the conduct, activities or business of the person pursuant to this chapter.
- **Sec. 142.** NRS 645E.670 is hereby amended to read as follows:
- 645E.670 1. For each violation committed by an applicant, whether or not he is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$10,000, if the applicant:
- (a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;
- (b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by him, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or



- (c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his application for a license or during the course of the investigation of his application for a license.
- 2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than \$10,000, may suspend, revoke or place conditions upon his license, or may do both, if the licensee, whether or not acting as such:
  - (a) Is insolvent;

- (b) Is grossly negligent or incompetent in performing any act for which he is required to be licensed pursuant to the provisions of this chapter;
- (c) Does not conduct his business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;
- (d) Is in such financial condition that he cannot continue in business with safety to his customers;
- (e) Has made a material misrepresentation in connection with any transaction governed by this chapter;
- (f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;
- (g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by him, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;
- (h) Has failed to account to persons interested for all money received for a trust account;
- (i) Has refused to permit an examination by the Commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;
- (j) Has been convicted of, or entered a plea of nolo contendere to, a felony or any crime involving fraud, misrepresentation or moral turpitude;

  (k) Has refused or failed to pay, within a reasonable time, any
  - (k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;



(1) Has failed to satisfy a claim made by a client which has been reduced to judgment;

- (m) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;
- (n) Has commingled the money or other property of a client with his own or has converted the money or property of others to his own use; or
- (o) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 143.** NRS 648.034 is hereby amended to read as follows: 648.034 1. [Any] Except as otherwise provided in this section, any records or information obtained during the course of an investigation of a licensee by the Board and any record of the investigation are confidential. [until the investigation is completed. Upon completion of the investigation the information and records are public records, only if:
- (a) Disciplinary action is imposed by the Board as a result of the investigation; or
- (b) The person regarding whom the investigation was made submits a written request to the Board asking that the information and records be made public records.]
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. This section does not prevent or prohibit the Board from communicating or cooperating with another licensing board or any agency that is investigating a licensee, including a law enforcement agency.
- **Sec. 144.** NRS 648.175 is hereby amended to read as follows: 648.175 *I.* If, after a hearing, the Board finds that cause exists, the Board may:
  - (a) Revoke the license of the licensee.
- [2.] (b) Suspend the license of the licensee for not more than 1 year for each violation.
- [3.] (c) Fine the licensee not more than \$5,000 for each violation.
- [4.] (d) Suspend an order authorized by this section upon such terms and conditions as the Board considers appropriate.
- [5.] (e) Place the licensee on probation for not more than 2 years upon such terms and conditions as the Board considers appropriate.



[6. Publicly or privately]

- (f) **Publicly** reprimand the licensee.
- [7.] (g) Affirm, modify or vacate the penalty imposed by a notice of violation.
- [8. Require the licensee to pay all costs incurred by the Board relating to the discipline of the licensee.]
- 2. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 145.** Chapter 649 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Commissioner, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Commissioner to initiate disciplinary action and all documents and information considered by the Commissioner when determining whether to impose discipline are public records.
  - **Sec. 146.** NRS 649.395 is hereby amended to read as follows:
- 649.395 1. The Commissioner may impose an administrative fine, not to exceed \$500 for each violation, or suspend or revoke the license of a collection agency, or both impose a fine and suspend or revoke the license, by an order made in writing and filed in his office and served on the licensee by registered or certified mail at the address shown in the records of the Commissioner, if:
- (a) The licensee is adjudged liable in any court of law for breach of any bond given under the provisions of this chapter; or
  - (b) After notice and hearing, the licensee is found guilty of:
    - (1) Fraud or misrepresentation;
- (2) An act or omission inconsistent with the faithful discharge of his duties and obligations; or
  - (3) A violation of any provision of this chapter.
- 2. The Commissioner may suspend or revoke the license of a collection agency without notice and hearing if:
- (a) The suspension or revocation is necessary for the immediate protection of the public; and
- (b) The licensee is afforded a hearing to contest the suspension or revocation within 20 days after the written order of suspension or revocation is served upon the licensee.
- 3. Upon revocation of his license, all rights of the licensee under this chapter terminate, and no application may be received from any person whose license has once been revoked.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.



**Sec. 147.** Chapter 652 of NRS is hereby amended by adding thereto a new section to read as follows:

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- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- **Sec. 148.** Chapter 654 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
  - **Sec. 149.** NRS 654.110 is hereby amended to read as follows: 654.110 1. The Board shall:
- (a) Develop, impose and enforce standards which must be met by persons to receive licenses as nursing facility administrators or administrators of residential facilities for groups. The standards must be designed to ensure that nursing facility administrators or persons acting as administrators of residential facilities for groups will be persons who are of good character and otherwise suitable, and who, by training or experience in their respective fields of administering health care facilities, are qualified to serve as nursing facility administrators or administrators of residential facilities for groups.
- (b) Develop and apply appropriate techniques, including examinations and investigations, for determining whether a person meets those standards.
- (c) Issue licenses to persons determined, after the application of appropriate techniques, to meet those standards.
- (d) Revoke or suspend licenses previously issued by the Board in any case if the person holding the license is determined substantially to have failed to conform to the requirements of the standards.



- (e) Establish and carry out procedures designed to ensure that persons licensed as nursing facility administrators or administrators of residential facilities for groups will, during any period they serve as such, comply with the requirements of the standards.
- (f) Receive, investigate and take appropriate action with respect to any charge or complaint filed with the Board to the effect that any person licensed as a nursing facility administrator or an administrator of a residential facility for groups has failed to comply with the requirements of the standards. The Board shall initiate an investigation of any charge or complaint filed with the Board within 30 days after receiving the charge or complaint.
  - (g) Conduct a continuing study of:

enforcement of the standards.

- (1) Facilities for skilled nursing, facilities for intermediate care and their administrators; and
- (2) Residential facilities for groups and their administrators, with a view to the improvement of the standards imposed for the licensing of administrators and of procedures and methods for the
- (h) Conduct or approve, or both, a program of training and instruction designed to enable all persons to obtain the qualifications necessary to meet the standards set by the Board for qualification as a nursing facility administrator or an administrator of a residential facility for groups.
- 2. All the records kept by the Board, not otherwise privileged or *confidential*, are public records.
  - **Sec. 150.** NRS 654.190 is hereby amended to read as follows:
- 654.190 1. The Board may, after notice and hearing, impose an administrative fine of not more than \$2,500 on and suspend or revoke the license of any nursing facility administrator or administrator of a residential facility for groups who:
- (a) Is convicted of a felony, or of any offense involving moral turpitude.
  - (b) Has obtained his license by the use of fraud or deceit.
  - (c) Violates any of the provisions of this chapter.
- (d) Aids or abets any person in the violation of any of the provisions of NRS 449.001 to 449.240, inclusive, as those provisions pertain to a facility for skilled nursing, facility for intermediate care or residential facility for groups.
- (e) Violates any regulation of the Board prescribing additional standards of conduct for nursing facility administrators or administrators of residential facilities for groups.
- 2. The Board shall give a licensee against whom proceedings are brought pursuant to this section written notice of a hearing not less than 10 days before the date of the hearing.



3. [If discipline is imposed pursuant to this section, the costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Board.] An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

- **Sec. 151.** Chapter 656 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in this section, a complaint filed with the Board, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential.
- 2. The complaint or other document filed by the Board to initiate disciplinary action and all documents and information considered by the Board when determining whether to impose discipline are public records.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

**Sec. 152.** NRS 7.085 is hereby amended to read as follows:

7.085 1. If a court finds that an attorney has:

- [1.] (a) Filed, maintained or defended a civil action or proceeding in any court in this state and such action or defense is not well-grounded in fact or is not warranted by existing law or by an argument for changing the existing law that is made in good faith; or
- [2.] (b) Unreasonably and vexatiously extended a civil action or proceeding before any court in this state,

the court shall require the attorney personally to pay the additional costs, expenses and attorney's fees reasonably incurred because of such conduct.

- 2. The court shall liberally construe the provisions of this section in favor of awarding costs, expenses and attorney's fees in all appropriate situations. It is the intent of the Legislature that the court award costs, expenses and attorney's fees pursuant to this section and impose sanctions pursuant to Rule 11 of the Nevada Rules of Civil Procedure in all appropriate situations to punish for and deter frivolous or vexatious claims and defenses because such claims and defenses overburden limited judicial resources, hinder the timely resolution of meritorious claims and increase the costs of engaging in business and providing professional services to the public.
  - **Sec. 153.** NRS 18.010 is hereby amended to read as follows:

18.010 1. The compensation of an attorney and counselor for his services is governed by agreement, express or implied, which is not restrained by law.



- 2. In addition to the cases where an allowance is authorized by specific statute, the court may make an allowance of attorney's fees to a prevailing party:
  - (a) When he has not recovered more than \$20,000; or

- (b) Without regard to the recovery sought, when the court finds that the claim, counterclaim, cross-claim or third-party complaint or defense of the opposing party was brought or maintained without reasonable ground or to harass the prevailing party. The court shall liberally construe the provisions of this paragraph in favor of awarding attorney's fees in all appropriate situations. It is the intent of the Legislature that the court award attorney's fees pursuant to this paragraph and impose sanctions pursuant to Rule 11 of the Nevada Rules of Civil Procedure in all appropriate situations to punish for and deter frivolous or vexatious claims and defenses because such claims and defenses overburden limited judicial resources, hinder the timely resolution of meritorious claims and increase the costs of engaging in business and providing professional services to the public.
- 3. In awarding attorney's fees, the court may pronounce its decision on the fees at the conclusion of the trial or special proceeding without written motion and with or without presentation of additional evidence.
- 4. Subsections 2 and 3 do not apply to any action arising out of a written instrument or agreement which entitles the prevailing party to an award of reasonable attorney's fees.
  - **Sec. 154.** NRS 41A.081 is hereby amended to read as follows: 41A.081 1. In an action for medical malpractice or dental
- malpractice, all the parties to the action, the insurers of the respective parties and the attorneys of the respective parties shall attend and participate in a settlement conference before a district judge, other than the judge assigned to the action, to ascertain whether the action may be settled by the parties before trial.
  - 2. The judge before whom the settlement conference is held:
- (a) May, for good cause shown, waive the attendance of any party.
- (b) Shall decide what information the parties may submit at the settlement conference.
- 3. The judge shall notify the parties of the time and place of the settlement conference.
- 4. The failure of any party, his insurer or his attorney to participate in good faith in the settlement conference is grounds for sanctions, including, without limitation, monetary sanctions, against the party or his attorney, or both. The judges of the district courts shall liberally construe the provisions of this subsection in favor of imposing sanctions in all appropriate situations. It is the



intent of the Legislature that the judges of the district courts impose sanctions pursuant to this subsection in all appropriate situations to punish for and deter conduct which is not undertaken in good faith because such conduct overburdens limited judicial resources, hinders the timely resolution of meritorious claims and increases the costs of engaging in business and providing professional services to the public.

**Sec. 155.** NRS 686B.070 is hereby amended to read as follows:

686B.070 1. Every authorized insurer and every rate service organization licensed under NRS 686B.130 which has been designated by any insurer for the filing of rates under subsection 2 of NRS 686B.090 shall file with the Commissioner all:

- [1.] (a) Rates and proposed increases thereto;
- (b) Forms of policies to which the rates apply;
- [3.] (c) Supplementary rate information; and
- [4.] (d) Changes and amendments thereof,

18 made by it for use in this state.

- 2. Except as otherwise provided in this section and NRS 686B.110, if a proposed increase or decrease in the rate of any kind or line of insurance does not change by more than 7 percent the total average premium required to be paid by persons insured by the insurer for that particular line or kind of insurance during the 12 months immediately preceding the proposed increase or decrease, the insurer shall file the information required by subsection 1 and the supporting data required to be filed pursuant to NRS 686B.100 on or before the date on which the changes are to become effective. The provisions of this subsection do not apply if the Commissioner has determined that the market is not competitive or if the Commissioner has made any of the other determinations described in subsection 1 of NRS 686B.110.
- 3. In a competitive market, if the Commissioner determines that the rates of an insurer require closer supervision by the Commissioner because of the financial condition of the insurer or because the insurer has engaged in rating practices which are unfairly discriminatory, the Commissioner may require the insurer to file the information required by subsection 1 and the supporting data required to be filed pursuant to NRS 686B.100 at least 60 days before the rates become effective or may subject the rates to review pursuant to NRS 686B.110.
- 4. The Commissioner shall review filings made pursuant to this section as soon as practicable to:
- 43 (a) Ensure the sufficiency of the financial condition of the 44 insurer; and



- (b) Determine whether the insurer has engaged in rating practices which are unfairly discriminatory.
- 5. Rates for title insurance and individual health insurance must be approved by the Commissioner pursuant to NRS 686B.110 before the insurer may use the rates.
- **Sec. 156.** NRS 686B.110 is hereby amended to read as follows:
- 686B.110 1. [The] If the Commissioner has determined that:
  - (a) The market is not competitive;

- (b) Pursuant to NRS 686B.180, essential insurance coverage is not readily available in a voluntary market;
- (c) Pursuant to NRS 686B.070, the rates of the insurer require closer supervision and that the rates are subject to review pursuant to this section;
- (d) A proposed increase or decrease in the rate of any kind or line of insurance changes by more than 7 percent the total average premium required to be paid by persons insured by the insurer for that particular line or kind of insurance during the 12 months immediately preceding the proposed increase or decrease; or
- (e) The rate is for title insurance or individual health insurance,
- the Commissioner shall consider each proposed increase or decrease in the rate of any kind or line of insurance or subdivision thereof filed with him pursuant to NRS 686B.070. If the Commissioner finds that a proposed increase will result in a rate which is not in compliance with NRS 686B.050, he shall disapprove the proposal. The Commissioner shall approve or disapprove each proposal [no] not later than 60 days after it is determined by him to be complete pursuant to subsection 4. If the Commissioner fails to approve or disapprove the proposal within that period, the proposal shall be deemed approved.
- 2. Whenever an insurer has no legally effective rates as a result of the Commissioner's disapproval of rates or other act, the Commissioner shall, on request, specify interim rates for the insurer that are high enough to protect the interests of all parties and may order that a specified portion of the premiums be placed in an escrow account approved by him. When new rates become legally effective, the Commissioner shall order the escrowed [funds] money or any overcharge in the interim rates to be distributed appropriately, except that refunds to policyholders that are de minimis must not be required.
- 3. If the Commissioner disapproves a proposed rate and an insurer requests a hearing to determine the validity of his action, the insurer has the burden of showing compliance with the applicable



standards for rates established in NRS 686B.010 to 686B.1799, inclusive. Any such hearing must be held:

- (a) Within 30 days after the request for a hearing has been submitted to the Commissioner; or
- (b) Within a period agreed upon by the insurer and the Commissioner.

If the hearing is not held within the period specified in paragraph (a) or (b), or if the Commissioner fails to issue an order concerning the proposed rate for which the hearing is held within 45 days after the hearing, the proposed rate shall be deemed approved.

- 4. The Commissioner shall by regulation specify the documents or any other information which must be included in a proposal to increase or decrease a rate submitted to him pursuant to [subsection 1.] NRS 686B.070. Each such proposal shall be deemed complete upon its filing with the Commissioner, unless the Commissioner, within 15 business days after the proposal is filed with him, determines that the proposal is incomplete because the proposal does not comply with the regulations adopted by him pursuant to this subsection.
- 5. If the Commissioner finds that a rate no longer meets the requirements of this chapter, the Commissioner may order the discontinuance of the rate. An order for the discontinuance of a rate may be issued only after a hearing with at least 10 days' notice for all insurers and rate organizations that would be affected by such an order. The order must be in writing and include, without limitation:
  - (a) The grounds pursuant to which the order was issued;
- (b) The date on which the order to discontinue the rate becomes effective; and
- (c) The date, within a reasonable time after the date on which the order becomes effective, on which the order will expire. An order for the discontinuance of a rate does not affect any

contract or policy made or issued before the date on which the order becomes effective.

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- **Sec. 157.** Chapter 690B of NRS is hereby amended by adding thereto the provisions set forth as sections 158 to 175, inclusive, of this act.
- Sec. 158. As used in sections 158 to 165, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 159 to 162, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 159. "Claims-made policy" means a policy of professional liability insurance that provides coverage only for claims that arise from incidents or events which occur while the



policy is in force and which are reported to the insurer while the policy is in force.

Sec. 160. "Extended reporting endorsement" means an endorsement to a claims-made policy which requires the payment of a separate premium and which provides coverage for claims that arise from incidents or events which occur while the claims-made policy is in force but which are reported to the insurer after the claims-made policy is terminated.

Sec. 161. "Practitioner" means a practitioner who provides health care.

Sec. 162. "Professional liability insurance" means a policy of insurance covering the liability of a practitioner for a breach of his professional duty toward a patient.

Sec. 163. 1. If an insurer offers to issue a claims-made policy to a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS, the insurer shall:

(a) Offer to issue to the practitioner an extended reporting endorsement without a time limitation for reporting a claim.

(b) Disclose to the practitioner the premium for the extended reporting endorsement and the cost formula that the insurer uses to determine the premium for the extended reporting endorsement.

- (c) Disclose to the practitioner the portion of the premium attributable to funding the extended reporting endorsement offered at no additional cost to the practitioner in the event of the practitioner's death, disability or retirement, if such a benefit is offered.
- (d) Disclose to the practitioner the vesting requirements for the extended reporting endorsement offered at no additional cost to the practitioner in the event of the practitioner's death or retirement, if such a benefit is offered. If such a benefit is not offered, the absence of such a benefit must be disclosed.
- (e) Include, as part of the insurance contract, language which must be approved by the Commissioner and which must be substantially similar to the following:

If we adopt any revision that would broaden the coverage under this policy without any additional premium either within the policy period or within 60 days before the policy period, the broadened coverage will immediately apply to this policy.

2. The disclosures required by subsection 1 must be made as part of the offer and acceptance at the inception of the policy and again at each renewal in the form of an endorsement attached to the insurance contract and approved by the Commissioner.



- Sec. 164. 1. In each rating plan of an insurer that issues a policy of professional liability insurance to a practitioner licensed pursuant to chapter 630 or 633 of NRS, the insurer shall provide for a reduction in the premium for the policy if the practitioner implements a qualified risk management system. The amount of the reduction in the premium must be determined by the Commissioner in accordance with the applicable standards for rates established in NRS 686B.010 to 686B.1799, inclusive.
- 2. A qualified risk management system must comply with all requirements established by the Commissioner.
  - 3. The Commissioner shall adopt regulations to:
- (a) Establish the requirements for a qualified risk management system; and
  - (b) Carry out the provisions of this section.

- 4. The provisions of this section apply to all rating plans which an insurer that issues a policy of professional liability insurance to a practitioner licensed pursuant to chapter 630 or 633 of NRS files with the Commissioner on and after the effective date of the regulations adopted by the Commissioner pursuant to this section.
- Sec. 165. 1. On an annual basis, the Commissioner shall, pursuant to subsection 1 of NRS 680A.290, request each insurer that issues a policy of professional liability insurance to a practitioner licensed pursuant to chapter 630 or 633 of NRS to submit to the Commissioner an annual report on its loss prevention and control programs.
- 2. Not later than 90 days after the Commissioner receives the annual reports from those insurers, the Commissioner shall submit his report on the loss prevention and control programs of those insurers, along with any recommendations, to the Director of the Legislative Counsel Bureau for transmittal to members of the Legislature.
- **Sec. 166.** For the purposes of sections 166 to 175, inclusive, of this act, the Legislature hereby finds and declares that:
- 1. A major health care crisis exists in this state because the skyrocketing cost of professional liability insurance for physicians has resulted in a potential breakdown in the delivery of health care in this state, a denial of access to health care for the economically marginal and the depletion of physicians to such a degree as to substantially worsen the quality of health care available to the residents of this state; and
- 2. There is an urgent and critical need to provide adequate, reasonable and immediate financial assistance to physicians who are unable to afford the skyrocketing cost of professional liability



insurance as an essential remedy to address the current health care crisis and to protect the public health, safety and welfare.

 Sec. 167. As used in sections 166 to 175, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 168 to 171, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 168. "Physician" means a physician licensed pursuant to chapter 630 or 633 of NRS.

Sec. 169. "Professional liability insurance" means a policy of insurance covering the liability of a physician for a breach of his professional duty toward a patient.

Sec. 170. "Subsidy" means money paid by the Commissioner from the Subsidy Fund.

Sec. 171. "Subsidy Fund" means the Critically Impacted Medical Specialties Subsidy Fund created by section 172 of this act.

- Sec. 172. 1. The Critically Impacted Medical Specialties Subsidy Fund is hereby created in the State Treasury as a special revenue fund. The Commissioner shall administer the Subsidy Fund.
- 2. Money for the Subsidy Fund must be provided by direct legislative appropriation from the State General Fund. The money must be used to provide subsidies to pay or defray the cost of professional liability insurance for physicians who are practicing in specific branches of medicine or osteopathic medicine that have been critically impacted by the cost of professional liability insurance in this state.
- Sec. 173. 1. If a physician wants to receive a subsidy from the Subsidy Fund to pay or defray the cost of professional liability insurance, the physician must file with the Commissioner an application for a subsidy.
  - 2. An application for a subsidy must include:
- (a) Information establishing the gross revenue that the physician derives from practicing medicine or osteopathic medicine in this state and elsewhere;
- (b) Information establishing the amount of the premiums that the physician pays for professional liability insurance;
- (c) Information establishing each specific branch of medicine or osteopathic medicine in which the physician practices; and
  - (d) Any other information requested by the Commissioner.
- Sec. 174. 1. A physician is eligible to receive a subsidy from the Subsidy Fund if:
- 43 (a) Of the gross revenue that the physician derives from 44 practicing medicine or osteopathic medicine in this state and 45 elsewhere, a majority of that gross revenue is derived in this state;



(b) The physician practices medicine or osteopathic medicine in this state predominately in a specific branch of medicine or osteopathic medicine that has been critically impacted by the cost of professional liability insurance in this state;

(c) The amount of the premiums paid by the physician for professional liability insurance exceeds 15 percent of the gross revenue that the physician derives from practicing medicine or

osteopathic medicine in this state and elsewhere;

(d) The physician has not received a subsidy from the Subsidy Fund during the previous 12 months;

- (e) The physician has never, in this state or elsewhere, had a judgment entered against him by a court or any disciplinary action taken against him by a regulatory body for a breach of his professional duty toward a patient; and
- (f) The physician is not presently subject, in this state or elsewhere, to any pending proceedings in a court or regulatory body alleging a breach of his professional duty toward a patient.
- 2. If the Commissioner determines that a physician is eligible for a subsidy, the Commissioner may, within the limits of legislative appropriation, pay to the physician a subsidy to be used by the physician to pay or defray the cost of his professional liability insurance. The amount of the subsidy must equal the amount that is necessary to reduce the cost of the physician's professional liability insurance to 15 percent of the gross revenue that the physician derives from practicing medicine or osteopathic medicine in this state and elsewhere, provided that the amount of the subsidy must not exceed \$30,000 for any period of 12 months.
- 3. When the Commissioner renders a decision regarding the eligibility of a physician for a subsidy, the amount of a subsidy or any other issue relating to a subsidy, the decision of the Commissioner is final and binding on the physician and is not subject to judicial review.
- 4. If a physician is receiving assistance to pay the cost of his professional liability insurance from sources other than the Subsidy Fund, the Commissioner shall deduct the amount received from the other sources from the amount payable to the physician from the Subsidy Fund.

Sec. 175. The Commissioner shall adopt regulations to carry out the provisions of sections 166 to 175, inclusive, of this act, including, without limitation, regulations:

1. Establishing the manner in which an application for a subsidy must be filed with the Commissioner and specifying the information that must be filed with the application;



2. Identifying the specific branches of medicine or osteopathic medicine that have been critically impacted by the cost of professional liability insurance in this state; and

- 3. Establishing the manner in which subsidies will be distributed so that such subsidies are:
- (a) Distributed fairly and equitably based on the best interests of the residents of this state; and
- (b) Distributed in a manner that encourages acceptable medical practices and claims experience.

**Sec. 176.** NRS 690B.045 is hereby amended to read as follows:

690B.045 Except as more is required in NRS 630.3067 and 633.526:

- 1. Each insurer which issues a policy of insurance covering the liability of a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS for a breach of his professional duty toward a patient shall report to the board which licensed the practitioner within [30] 45 days each settlement or award made or judgment rendered by reason of a claim, if the settlement, award or judgment is for more than \$5,000, giving the name and address of the claimant and the practitioner and the circumstances of the case.
- 2. A practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS who does not have insurance covering liability for a breach of his professional duty toward a patient shall report to the board which issued his license within [30] 45 days of each settlement or award made or judgment rendered by reason of a claim, if the settlement, award or judgment is for more than \$5,000, giving his name and address, the name and address of the claimant and the circumstances of the case.
- 3. These reports are public records and must be made available for public inspection within a reasonable time after they are received by the licensing board.
- **Sec. 177.** NRS 690B.050 is hereby amended to read as follows:
- 690B.050 1. Each insurer which issues a policy of insurance covering the liability of a physician licensed under chapter 630 of NRS or an osteopathic physician licensed under chapter 633 of NRS for a breach of his professional duty toward a patient shall report to the Commissioner within [30] 45 days each settlement or award made or judgment rendered by reason of a claim, giving the name and address of the claimant and physician and the circumstances of the case.
- 2. The Commissioner shall report to the Board of Medical Examiners or the state board of osteopathic medicine, as applicable,



within 30 days after receiving the report of the insurer, each claim made and each settlement, award or judgment.

- **Sec. 178.** 1. The Commissioner shall conduct a study concerning insurers that issue policies of professional liability insurance to practitioners who provide health care. The study must include, without limitation, investigation and fact-finding concerning:
  - (a) Current actuarial practices, including, without limitation:
    - (1) Bandwidth used in data transmission;
    - (2) Credits relating to premiums; and
- (3) Charges imposed for specific medical or dental specialties;
- (b) Procedures relating to and factors used for the underwriting of losses:
- (c) The adequacy of standards, practices and procedures relating to the reserves of insurers; and
- (d) The strategies used to price policies of professional liability insurance and other products, including, without limitation, the impact of such strategies on the reserves of insurers.
- 2. For the purposes of this section, the Commissioner shall appoint an advisory panel within the Division of Insurance of the Department of Business and Industry, consisting of:
  - (a) An actuary;

- (b) A person with expertise regarding policy-making and decision-making within the insurance industry; and
- (c) A person with expertise regarding policies of professional liability insurance.
  - 3. The advisory panel appointed pursuant to this section shall:
- (a) With regard to the available databases containing actuarial information relating to policies of professional liability insurance:
  - (1) Review all such databases;
- (2) Investigate the accuracy of such databases, including, without limitation, the accuracy of data relating to insurers and to specific medical or dental specialties;
- (3) Study the feasibility of combining such databases into one database, including, without limitation, the potential accuracy of that one combined database; and
- (4) Formulate recommendations for improving the accuracy and accessibility of such databases and, if feasible, for combining such databases into one database;
  - (b) With regard to policies of professional liability insurance:
- (1) Review the forms for such policies and determine whether the forms are properly used; and
- (2) Review the adequacy of standards, practices and procedures relating to the reserves of insurers;



- (c) Review any other matters as directed by the Commissioner; and
- (d) Report all findings, determinations and recommendations required by this subsection to the Commissioner, in the manner prescribed by the Commissioner.
- 4. The Commissioner shall hold public hearings, at such times and places as the Commissioner deems appropriate, to:
  - (a) Carry out the study required pursuant to subsection 1;
- (b) Review and consider the report of the advisory panel pursuant to subsection 3; and
- (c) Afford the general public and representatives of governmental agencies and of organizations interested in insurance the opportunity to present relevant information and recommendations.
- 5. The Commissioner and the advisory panel may employ any consultants and professional and secretarial staff that the Commissioner deems necessary to carry out fully the requirements of this section.
- 6. The Commissioner shall assess the Board of Medical Examiners for costs related to carrying out the requirements of this section. The aggregate amount of the costs assessed to the Board of Medical Examiners must not exceed \$402,000. Within such limitations, the Board of Medical Examiners shall pay each claim for costs submitted to it by the Commissioner pursuant to this section not less than 30 days after such submission.
- 7. Not later than June 1, 2004, the Commissioner shall submit a report of his findings and any recommendations for legislation pursuant to this section to:
  - (a) The Governor; and

- (b) The Director of the Legislative Counsel Bureau for distribution to members of the Legislative Commission and, upon request, to any other members of the Legislature.
  - 8. As used in this section:
  - (a) "Commissioner" means the Commissioner of Insurance.
- (b) "Professional liability insurance" means a policy of insurance covering the liability of a practitioner who provides health care for a breach of his professional duty toward a patient.
- **Sec. 179.** NRS 622.010, 623Å.295, 630.142, 633.611, 634.165, 638.154, 639.091 and 656.295 are hereby repealed.
- **Sec. 180.** 1. This section and section 178 of this act become effective on passage and approval.
- 2. Sections 1 to 177, inclusive, of this act become effective upon passage and approval for the purpose of adopting regulations and on July 1, 2003, for all other purposes.
  - 3. Section 179 of this act becomes effective on July 1, 2003.



- 4. Sections 166 to 175, inclusive, of this act expire by limitation on July 1, 2005.
- 5. Section 99 of this act expires by limitation on the date on which the provisions of 42 U.S.C., § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:
- 8 (a) Have failed to comply with a subpoena or warrant relating to 9 a procedure to determine the paternity of a child or to establish or 10 enforce an obligation for the support of a child; or
  - (b) Are in arrears in the payment for the support of one or more children.
- 13 are repealed by the Congress of the United States.

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## LEADLINES OF REPEALED SECTIONS

- 622.010 "Occupational licensing board" defined.
- 623A.295 Confidentiality of proceedings.
- 630.142 Award of costs and attorney's fees.
- 633.611 Confidentiality of proceedings.
- 634.165 Confidentiality of proceedings.
- 638.154 Court may award costs and reasonable attorney's fees incurred by Board.
  - 639.091 Award of costs and attorney's fees to Board.
  - 656.295 Disciplinary proceedings: Costs; attorney's fees.



