# THE SEVENTY-EIGHTH DAY

CARSON CITY (Monday), April 22, 2019

Senate called to order at 10:39 a.m.

President Marshall presiding.

Roll called.

All present.

Prayer by Rajan Zed.

Om

bhur bhuvah svah

tat Savitur varenjam

bhargo devasya dhimahi

dhiyo you nah prachodayat.

We meditate on the transcendental glory of the Deity Supreme, who is inside the heart of the earth, inside the life of the sky and inside the soul of the heaven. May He stimulate and illuminate our minds.

Asato ma sad gamaya

Tamaso ma jyotir gamaya

Mrityor mamrtam gamaya.

Lead us from the unreal to the Real.

Lead us from darkness to Light.

Lead us from death to immortality.

tasmadasaktah satatam karyam karma samacara

asakto hyacarankarma paramapnoti purusah

karmanaiva hi samsiddhimasthita janakadayah

lokasangrahamevapi sampasyankartumarhasi.

Strive constantly to serve the welfare of the world; by devotion to selfless, one attains the supreme goal of life. Do your work with the welfare of others always in mind.

Om saha naavavatu

Saha nau bhunaktu

Saha viiryan karavaavahai

Tejasvi naavadhiitamastu

Maa vidhvishhaavahai.

May we be protected together.

May we be nourished together.

May we work together with great vigor.

May our study be enlightening.

May no obstacle arise between us.

Om shanti, shanti, shanti.

Peace, peace to unto all.

Ом.

# Pledge of Allegiance to the Flag.

By previous order of the Senate, the reading of the Journal is dispensed with, and the President and Secretary are authorized to make the necessary corrections and additions.

# REPORTS OF COMMITTEE

# Madam President:

Your Committee on Education, to which were referred Senate Bills Nos. 313, 467, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MOISES DENIS, Chair

# Madam President:

Your Committee on Government Affairs, to which were referred Senate Bills Nos. 180, 243, 459, 462, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DAVID R. PARKS, Chair

# Madam President:

Your Committee on Growth and Infrastructure, to which were referred Senate Bills Nos. 408, 428, 429, 474, 491, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

YVANNA D. CANCELA, Chair

# Madam President:

Your Committee on Health and Human Services, to which were referred Senate Bills Nos. 33, 192, 203, 266, 293, 315, 362, 387, 390, 418, 484, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JULIA RATTI, Chair

# MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, April 19, 2019

# To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 15, 29, 102, 124, 141, 142, 156, 252, 455.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

# WAIVERS AND EXEMPTIONS NOTICE OF EXEMPTION

April 22, 2019

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the eligibility for exemption of: Senate Bill No. 459.

MARK KRMPOTIC

Fiscal Analysis Division

# WAIVER OF STANDING RULE(S)

April 22, 2019

Also, pursuant to paragraph (a) of subsection 4 of Joint Standing Rule No. 14.6, Senate Bills Nos. 251 and 276 are not subject to the provisions of subsection 1 of Joint Standing Rule No. 14, Joint Standing Rule No. 14.1 subsection 1 of Joint Standing Rule No. 14.2 and Joint Standing Rule No. 14.3.

RICHARD S. COMBS Director

# MOTIONS, RESOLUTIONS AND NOTICES

Senator Woodhouse moved that Senate Bill No. 354 be taken from the Secretary's desk and placed at the bottom of the General File.

Motion carried.

Senator Harris moved that Senate Bill No. 496 be taken from the Secretary's desk and placed at the bottom of the General File.

Motion carried.

Senator Woodhouse moved that Senate Bill No. 485 be taken from the Secretary's desk and placed on the General File on the third Agenda.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 15.

Senator Ratti moved that the bill be referred to the Committee on Judiciary. Motion carried.

Assembly Bill No. 29.

Senator Ratti moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Assembly Bill No. 102.

Senator Ratti moved that the bill be referred to the Committee on Judiciary. Motion carried.

Assembly Bill No. 124.

Senator Ratti moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 141.

Senator Ratti moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Assembly Bill No. 142.

Senator Ratti moved that the bill be referred to the Committee on Judiciary. Motion carried.

Assembly Bill No. 156.

Senator Ratti moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 252.

Senator Ratti moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 455.

Senator Ratti moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

# MOTIONS, RESOLUTIONS AND NOTICES

Senator Woodhouse moved that Senate Bill No. 340 be taken from the General File and re-referred to the Committee on Finance.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 7.

Bill read third time.

Remarks by Senator Cannizzaro.

Senate Bill No. 7 provides that a person is guilty of the category B felony of sex trafficking for soliciting a person he or she believes to be a child regardless of the person's actual age. It is not a defense that the person did not know the actual age of the solicited person unless the person believed that he or she was acting lawfully within a licensed brothel. The bill also grants the Attorney General concurrent jurisdiction with county district attorneys to prosecute the crime of facilitating sex trafficking; sets forth fines for the crime, and includes facilitating sex trafficking within the definition of a "crime related to racketeering." Finally, this bill clarifies that a person is not guilty of the crime of pandering if the person is a customer of a prostitute in a licensed brothel unless the person believed the prostitute to be a child.

Roll call on Senate Bill No. 7:

YEAS-20.

NAYS-Ohrenschall.

Senate Bill No. 7 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 37.

Bill read third time.

Remarks by Senator Spearman.

Senate Bill No. 37 revises provisions regarding licensing and the scope of practice for marriage and family therapists and clinical professional counselors. The bill revises the fees collected by the Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors and establishes a minimum and maximum fee schedule. Additionally, the bill establishes new fees for licensing or approving interns, supervisors and continuing education. Finally, the bill clarifies that funds collected by the Board may be used to compensate its employees.

Roll call on Senate Bill No. 37:

YEAS—21.

NAYS-None.

Senate Bill No. 37 having received a two-thirds majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 41.

Bill read third time.

Remarks by Senators Pickard and Seevers Gansert.

SENATOR PICKARD:

Senate Bill No. 41 revises various provisions relating to teacher licensure including, eliminating the special qualifications license; revising requirements for early childhood licensure, and making various changes to the qualified provider. A parent or legal guardian of a public school student

may request information concerning the professional qualifications of any licensed employee at the student's school.

The bill also requires Nevada's Department of Education to provide notice to certain personnel if their license is due to expire. The bill provides for additional reasons a license may not be issued under certain circumstances and revises provisions concerning the suspension or revocation of a license when the Department receives notice of certain convictions. The State Board of Education may issue a letter of reprimand to certain personnel upon receiving notice of certain types of conduct.

The Department of Education may require an employee who has access to confidential information relating to professional licensure to annually submit his or her fingerprints. The Department is authorized to deny access to confidential records for certain employees.

Finally, Senate Bill No. 41 requires one of the two administrator members of the Commission on Professional Standards in Education to be a school district superintendent. The Commission must submit its action report to the State Board of Education and the Legislative Committee on Education by December 31 of each year.

#### SENATOR SEEVERS GANSERT:

I will be voting against Senate Bill No. 41. I have concerns about section 25, subsection 1, which states the State Board "may suspend or revoke a license or may issue a letter of reprimand to any teacher, administrator or other licensed employee." The next page of the bill lists specifics where the Board "may provide a reprimand instead of revoking a license." In subsection 1(b) of this section, immorality such as sexual assault, sexual seduction, battery and strangulation are discussed. Subsection 1(m) discusses substantiated reports of neglect or abuse of a child, corporal punishment and other topics or a violation of several other statutes that relate to sexual conduct between a student and pupil. These types of issues do not belong in a "may provide a reprimand" rather than a "shall revoke" category. For this reason, I will be voting against this bill.

Roll call on Senate Bill No. 41:

YEAS-17.

NAYS—Hardy, Kieckhefer, Seevers Gansert, Settelmeyer—4.

Senate Bill No. 41 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 46.

Bill read third time.

Remarks by Senator Dondero Loop.

Senate Bill No. 46 exempts cash prizes and the value of noncash prizes paid out to participants in certain contests or tournaments from the definition of "gross revenue" as it relates to calculating licensing fees to be paid by the licensee. The bill extends a prohibition on performing certain gaming-related acts without proper licensing to include performing those acts without proper registration. The bill also clarifies that an interactive-gaming service provider must be licensed. Finally, offenses in violation of certain licensing requirements are added to those for which law enforcement may seek authorization to intercept communications.

Roll call on Senate Bill No. 46:

YEAS—21

NAYS-None.

Senate Bill No. 46 having received a two-thirds majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 57.

Bill read third time.

Remarks by Senators Hammond and Kieckhefer.

SENATOR HAMMOND:

Senate Bill No. 57 makes a blueprint of the layout of a public school confidential. The most current blueprint of the layout of a public or private school must be disclosed to a public-safety agency upon its request. For public schools, the bill also authorizes such disclosure to certain other individuals or entities for purposes related to the school. Any blueprints received by such entities must not be disclosed, with certain exceptions.

#### SENATOR KIECKHEFER:

I would like to thank the Attorney General and the Chair of the Committee on Education for working to clarify this language to ensure this bill does what we intended.

Roll call on Senate Bill No. 57:

YEAS-21.

NAYS—None.

Senate Bill No. 57 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 148.

Bill read third time.

Remarks by Senator Spearman.

Senate Bill No. 148 requires a landlord of a manufactured home park to pay certain costs if a tenant elects to move to another park for older persons and meets certain requirements if the tenant is required to move because the landlord converted the park to a park for older persons or changed the age-restrictions of a park for older persons. The bill limits the amount of costs that the landlord is required to pay, \$5,000 for a single-section manufactured home and \$10,000 for a manufactured home with multiple sections.

Roll call on Senate Bill No. 148:

YEAS—20.

NAYS-Ohrenschall.

Senate Bill No. 148 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 166.

Bill read third time.

Remarks by Senators Spearman, Kieckhefer and Seevers Gansert.

SENATOR SPEARMAN:

Senate Bill No. 166 revises several provisions relating to unlawful employment practices and governing the filing of complaints of employment discrimination with the Nevada Equal Rights Commission. First, the bill sets forth a tiered system of civil penalties which progressively increases if an employer with 30 or more employees is found to have multiple instances of pay discrimination within a five-year period.

Second, applicants for employment are added to the list of persons who are protected from certain unlawful employment practices.

Third, the bill provides that it is an unlawful employment practice to use an occupational qualification which is based on gender differences or the employer has refused to change after

being presented by an affected person with an alternative practice that would serve the same purpose in a manner that is less discriminatory on the basis of sex.

This is a bill that affects families. Many families, who have a single earner who is a mother being paid less than her male counterpart, experience the effects not only on the worker but also on the children. I urge my colleagues to pass this bill.

#### SENATOR KIECKHEFER:

In a bit less than 13 hours from now, I will be the father of a teen-aged daughter. In her world view, the idea she would be paid less for equal work is unfathomable. I hope in her life she never has to find out this is the case. We have an opportunity to ensure she does not have to find this out by putting some teeth into a statute that ensures the bad actors who intentionally discriminate against people face consequences. I had initial concerns about this bill which were removed in the amendment process. While I continue to have reservations about the Nevada Equal Rights Commission (NERC) having the authority to levy fines of this size, it is the bill in front of us, and it is the option I have on which to vote "yes" and ensure there are consequences for people who intentionally discriminate against people based on their gender. I will proudly be voting "yes" on this bill.

# SENATOR SEEVERS GANSERT:

I, too, rise in support of Senate Bill No. 166. It is important women are paid equally and that there are consequences for this not occurring. There was other legislation that requested funds for NERC to provide additional training for employers and employees. I hope we are able to do that through other legislation. I urge strong support of this bill.

Roll call on Senate Bill No. 166:

YEAS—20.

NAYS-Hansen.

Senate Bill No. 166 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 177.

Bill read third time.

Remarks by Senator Cancela.

Senate Bill No. 177 requires the Nevada Equal Rights Commission of the Department of Employment, Training and Rehabilitation to notify a person who files a claim of injury as a result of certain unlawful employment practices that he or she may request a right-to-sue notice. The bill requires the Commission, upon request, to issue a right-to-sue notice indicating the claimant may, under certain circumstances, bring civil action in district court against the person named in a complaint. Additionally, the bill authorizes a court to award the employee the same legal or equitable relief that may be awarded to a person pursuant to Title VII of the Civil Rights Act of 1964, if the employee is protected under the provisions to Title VII or certain provisions of existing State law. I urge the Body's passage.

Roll call on Senate Bill No. 177:

YEAS—20.

NAYS-Hansen.

Senate Bill No. 177 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 185.

Bill read third time.

Remarks by Senators Seevers Gansert and Denis.

#### SENATOR SEEVERS GANSERT:

Senate Bill No. 185 clarifies existing law concerning background checks for school volunteers who will have regular or unsupervised contact with students, including volunteers at achievement charter schools. Such a volunteer may submit his or her fingerprints to certain entities authorized to forward fingerprints to the Central Repository for Nevada Records of Criminal History. Records of background checks authorized under the bill must be reported to the school district superintendent, the governing body of the charter school or the private school administrator in certain circumstances. The bill also removes the requirement that a volunteer who will have regular, supervised contact with students receive a background check.

The bill further declares void and unenforceable the State Board of Education regulation allowing certain exemptions from a background check and, instead, clarifies what exemptions are allowed. Nevada's Department of Education must compile a list of acceptable entities who have performed background checks on potential school volunteers that are at least as rigorous as the background check normally conducted.

Finally, Senate Bill No. 185 authorizes a private school administrator to exempt volunteers from a background check in certain circumstances.

This bill will put into statute some of the things we did to regulation during the interim and will allow folks who need background checks to get them at places other than the school districts. It narrows the types of volunteers required to have background checks as well. I urge your support.

#### SENATOR DENIS

I stand in support of this bill. I appreciate my colleague from District 15 working on this bill. We want to protect children and those who meet with and are working with our children. At the same time, we also want volunteers to be able to come into our schools. In some schools, our volunteer base went down because of previous legislation. The fixes in this bill allow those who need to be fingerprinted, be fingerprinted and those who want to come and volunteer, come back into the schools and help. I am in strong support of this bill.

Roll call on Senate Bill No. 185:

YEAS—21.

NAYS—None.

Senate Bill No. 185 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 224.

Bill read third time.

Remarks by Senators Ratti and Goicoechea.

SENATOR RATTI:

Senate Bill No. 224 provides that certain information about a member or retiree that is contained in a record or file of the Public Employees' Retirement System, Judicial Retirement System or Legislators' Retirement System is a public record, namely the person's identification number, last public employer, number of years of service credit, retirement date, annual pension amount and whether the person is receiving a disability or service retirement allowance. All other information regarding a member, retiree or beneficiary that is contained in a record or file in the possession of the Public Employee Retirement System is confidential, regardless of the form, location and manner of creation or storage of the record or file containing the information.

The measure also clarifies the Board is prohibited from disclosing confidential information about a member or retiree to a third party unless the disclosure is necessary for the Board to carry

out its duties and the Board executes a confidentiality agreement with the third party before providing the third party with any confidential information. I urge your support.

SENATOR GOICOECHEA:

I rise in opposition to Senate Bill No. 224. This is about transparency. These benefits are tax-payer funded, and the people who are paying the funds have the right to know the name and amount. The public has the right to know who it is and how much they are benefitting.

Roll call on Senate Bill No. 224:

YEAS—11.

NAYS—Cannizzaro, Dondero Loop, Goicoechea, Hammond, Hansen, Hardy, Kieckhefer, Pickard, Seevers Gansert, Settelmeyer—10.

Senate Bill No. 224 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 230.

Bill read third time.

Remarks by Senator Denis.

Senate Bill No. 230 requires the Real Estate Division of the Department of Business and Industry to establish by regulation the conditions and limitations under which a licensee may advertise under a nickname. The bill revises the provision requiring a real estate broker or owner-developer to prominently display the licenses of all real-estate professionals who are associated or employed and, instead, requires the licenses to be kept in a secure manner and be made available upon request by the public and the Division during usual business hours. Finally, the bill establishes pre- and post-licensing education requirements and exemptions from such requirements.

Senator Parks disclosed that he is a real estate agent.

Roll call on Senate Bill No. 230:

YEAS—21.

NAYS—None.

Senate Bill No. 230 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 251.

Bill read third time.

Remarks by Senator Woodhouse.

Senate Bill No. 251 requires the Legislative Commission to appoint a committee to conduct an interim study concerning the development of residential golf courses. The committee must examine, research and identify procedures available for the conversion of land used as a residential golf course to any other use. It is to consider how such procedures should involve affected local governments, owners of residential golf courses and the residents of affected communities. The committee's report of its findings and recommendations for legislation are to be submitted to the 81st Session of the Nevada Legislature.

Roll call on Senate Bill No. 251:

YEAS—21.

NAYS-None.

Senate Bill No. 251 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 276.

Bill read third time.

Remarks by Senator Cancela.

Senate Bill No. 276 requires the Legislative Commission to appoint a committee to conduct an interim study concerning the cost of prescription drugs in this State and the impact of rebates, reductions in price and other remuneration from manufacturers on prescription drug prices. The committee is required to report its findings and recommendations to the Legislative Committee on Healthcare.

Roll call on Senate Bill No. 276:

YEAS-21.

NAYS—None.

Senate Bill No. 276 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 302.

Bill read third time.

Remarks by Senator Seevers Gansert.

Senate Bill No. 302 requires a governmental agency that collects data to comply, to the extent practicable, with certain information security standards that are published by the Center for Internet Security, Inc. or the National Institute of Standards and Technology of the United States Department of Commerce for records containing personal information. The bill requires the Office of Information Security of the Division of Enterprise Information Technology Services of the Department of Administration to maintain and make publicly available a list of controls and standards that the State is required to comply with pursuant to federal and State laws or regulations and frameworks

The bill requires the Legislative Auditor to review the compliance of the security standards for records containing personal information when conducting a post audit of all accounts, funds and other records of all agencies of the State. The results of an audit to determine whether a State agency is complying with the standards that are available for inspection by the general public must be limited to whether the State agency is adequately complying with such standards.

Finally, the bill authorizes a governmental agency to require a person to submit documents containing personal information by electronic means but may also establish procedures for a person to apply for and receive a waiver from submitting a document by electronic means if the document contains personal information.

Roll call on Senate Bill No. 302:

YEAS—21.

NAYS-None.

Senate Bill No. 302 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 327.

Bill read third time.

The following amendment was proposed by Senator Ratti:

Amendment No. 564.

SUMMARY—Revises provisions relating to land use planning. (BDR 22-883)

AN ACT relating to land use planning; defining "residential dwelling unit"; authorizing the governing body of a county or city to provide for the division of land into five or more lots in an ordinance for planned unit development; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes procedures for the governing body of a city or county to include when enacting an ordinance for a proposed planned unit development. (NRS 278A.440-278A.590) Section 8 of this bill authorizes a governing body of a county or city that enacts an ordinance for a proposed planned unit development to provide for the division of land within the planned unit development into five or more lots pursuant to a tentative and final map for land zoned for industrial or commercial development or a parcel map for the division of land for transfer or development. Section 8 requires such an ordinance to prohibit the development of a residential dwelling unit within such a planned unit development unless the lot that will be developed with the residential dwelling unit is further subdivided in accordance with certain existing requirements for the subdivision of land.

Section 8 further provides that a tentative map to further subdivide land for the development of residential dwelling units may be submitted and processed by the governing body at the same time as a tentative map or parcel map for the division of land. Sections 1 and 15 of this bill make conforming changes.

Section 4 of this bill defines the term "residential dwelling unit."

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

Section 1. NRS 278.461 is hereby amended to read as follows:

- 278.461 1. Except as otherwise provided in this section  $\frac{1}{1+1}$  and section 8 of this act, a person who proposes to divide any land for transfer or development into four lots or less shall:
- (a) Prepare a parcel map and file the number of copies, as required by local ordinance, of the parcel map with the planning commission or its designated representative or, if there is no planning commission, with the clerk of the governing body; and
  - (b) Pay a filing fee in an amount determined by the governing body,
- → unless those requirements are waived or the provisions of NRS 278.471 to 278.4725, inclusive, apply. The map must be accompanied by a written statement signed by the treasurer of the county in which the land to be divided is located indicating that all property taxes on the land for the fiscal year have been paid, and by the affidavit of the person who proposes to divide the land stating that the person will make provision for the payment of the tax imposed by chapter 375 of NRS and for compliance with the disclosure and recording requirements of subsection 5 of NRS 598.0923, if applicable, by the person who proposes to divide the land or any successor in interest.

- 2. In addition to any other requirement set forth in this section, a person who is required to prepare a parcel map pursuant to subsection 1 shall provide a copy of the parcel map to the Division of Water Resources of the State Department of Conservation and Natural Resources and obtain a certificate from the Division indicating that the parcel map is approved as to the quantity of water available for use if:
  - (a) Any parcel included in the parcel map:
- (1) Is within or partially within a basin designated by the State Engineer pursuant to NRS 534.120 for which the State Engineer has issued an order requiring the approval of the parcel map by the State Engineer; and
  - (2) Will be served by a domestic well; and
- (b) The dedication of a right to appropriate water to ensure a sufficient supply of water is not required by an applicable local ordinance.
- 3. If the parcel map is submitted to the clerk of the governing body, the clerk shall submit the parcel map to the governing body at its next regular meeting.
- 4. A common-interest community consisting of four units or less shall be deemed to be a division of land within the meaning of this section, but need only comply with this section and NRS 278.371, 278.373 to 278.378, inclusive, 278.462, 278.464 and 278.466.
- 5. A parcel map is not required when the division is for the express purpose of:
  - (a) The creation or realignment of a public right-of-way by a public agency.
  - (b) The creation or realignment of an easement.
- (c) An adjustment of the boundary line between two abutting parcels or the transfer of land between two owners of abutting parcels, which does not result in the creation of any additional parcels, if such an adjustment is approved pursuant to NRS 278.5692 and is made in compliance with the provisions of NRS 278.5693.
- (d) The purchase, transfer or development of space within an apartment building or an industrial or commercial building.
- (e) Carrying out an order of any court or dividing land as a result of an operation of law.
- 6. A parcel map is not required for any of the following transactions involving land:
- (a) The creation of a lien, mortgage, deed of trust or any other security instrument.
- (b) The creation of a security or unit of interest in any investment trust regulated under the laws of this State or any other interest in an investment entity.
- (c) Conveying an interest in oil, gas, minerals or building materials, which is severed from the surface ownership of real property.
- (d) Conveying an interest in land acquired by the Department of Transportation pursuant to chapter 408 of NRS.
  - (e) Filing a certificate of amendment pursuant to NRS 278.473.

- 7. When two or more separate lots, parcels, sites, units or plots of land are purchased, they remain separate for the purposes of this section and NRS 278.468, 278.590 and 278.630. When the lots, parcels, sites, units or plots are resold or conveyed they are exempt from the provisions of NRS 278.010 to 278.630, inclusive, until further divided.
- 8. Unless a method of dividing land is adopted for the purpose or would have the effect of evading this chapter, the provisions for the division of land by a parcel map do not apply to a transaction exempted by paragraph (c) of subsection 1 of NRS 278.320.
- 9. As used in this section, "domestic well" has the meaning ascribed to it in NRS 534.350.
- Sec. 1.5. Chapter 278A of NRS is hereby amended by adding thereto the provisions set forth as sections 4 and 8 of this act.
  - Sec. 2. (Deleted by amendment.)
  - Sec. 3. (Deleted by amendment.)
- Sec. 4. "Residential dwelling unit" means a building, or a portion of a building, planned, designed or used as a residence for one family only, living independently of other families or persons, and having its own bathroom and housekeeping facilities included in the building or portion of the building. The term does not include an apartment or any other building, or portion of a building, planned, designed or used as a residence for more than one family.
  - Sec. 5. (Deleted by amendment.)
  - Sec. 6. (Deleted by amendment.)
  - Sec. 7. (Deleted by amendment.)
- Sec. 8. 1. An ordinance enacted pursuant to this chapter for a planned unit development may authorize the division of land within the planned unit development for transfer or development into five or more lots pursuant to:
- (a) A tentative and final map for land zoned for industrial or commercial development in accordance with the requirements of NRS 278.325 and any other applicable requirements for such tentative and final maps; or
- (b) A parcel map in accordance with the requirements of NRS 278.461 to 278.469, inclusive.
- 2. If an ordinance for a planned unit development authorizes the division of land pursuant to subsection 1, a residential dwelling unit may not be constructed on a lot divided pursuant to such an ordinance unless the lot is further subdivided in accordance with the requirements of NRS 278.326 to 278.460, inclusive.
- 3. If the governing body authorizes the division or subdivision of land within a planned unit development pursuant to this section, a landowner may submit a tentative map for the subdivision of land into one or more residential dwelling units at the same time a tentative map or a parcel map for the division of land is submitted. The landowner must pay any applicable fees for submitting such maps.
  - Sec. 9. (Deleted by amendment.)
  - Sec. 10. (Deleted by amendment.)

- Sec. 11. (Deleted by amendment.)
- Sec. 12. (Deleted by amendment.)
- Sec. 13. (Deleted by amendment.)
- Sec. 14. (Deleted by amendment.)
- Sec. 15. NRS 278A.030 is hereby amended to read as follows:

278A.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 278A.040 to 278A.070, inclusive, *and section 4 of this act*, have the meanings ascribed to them in such sections.

Sec. 15.5. The amendatory provisions of this act do not apply to any planned unit development for which the landowner has initiated the process for obtaining approval from the city or county, as applicable, before July 1, 2019, including, without limitation, by filing an application for tentative approval of the plan for the planned unit development.

Sec. 16. This act becomes effective on July 1, 2019.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 564 to Senate Bill No. 327 adds a prospective provision. This means the amendatory provisions of this Act do not apply to any planned unit development for which the land owner has initiated the process for obtaining approval prior to July 1, 2019. My concern is once a project is initiated, folks who might have an interest or concerns about the project, because it is happening in their neighborhood, are expecting the process to be what they are accustomed to in their local jurisdiction. This could be different in each local jurisdiction.

The intent of this amendment is that whatever process a project started under is the process it should be finished under. If a local government chooses to adopt this new process, it would only be for those developments going forward to protect the process certainty for people in those neighborhoods and communities. There are still questions on how this will work in real life. This bill will be followed closely as it moves through the Assembly, but for today, I would like to see this amendment move forward.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 347.

Bill read third time.

Remarks by Senator Settelmeyer.

Senate Bill No. 347 revises several provisions related to the growth and production of hemp in Nevada. Among other provisions, the bill requires sites used for growing, handling or producing hemp to be certified and registered with the State Department of Agriculture. It authorizes the Department to adopt regulations for the certification and registration of such sites. It revises the definition of "industrial hemp" to be consistent with federal law. The bill requires an applicant for registration to submit information concerning land- and crop-management practices. It requires that registrants who intend to surrender or not renew their registration to submit a plan for the effective disposal of any existing live plants, viable seeds or harvested crop. The bill authorizes the Department to establish fees by regulation for services performed by the Department. It requires maintenance of certain records by the grower or handler and requires a grower to submit to the Department a sample of each crop to determine THC concentration and a plan to dispose of a crop found to contain an excessive THC concentration. It authorizes the Department to impose certain administrative fines and to adopt regulations necessary to comply with requirements of the United States Department of Agriculture.

This bill came about because Nevada had some of the best hemp laws in the Nation until the federal government passed its laws. Their laws were 27 pages; ours were 6 pages. In order to be in compliance with federal law, we were required to modify our laws.

Additionally, the federal Government is considering other changes such as changing the acceptable level of THC from 0.3 and increasing it. If that happens, Nevada will again be out of compliance. This bill will move our regulations to Nevada Administrative Code to allow the industry to respond faster to changes such as this.

Conflict of interest declared by Senator Ohrenschall.

Roll call on Senate Bill No. 347:

YEAS-20.

NAYS—None.

NOT VOTING-Ohrenschall.

Senate Bill No. 347 having received a two-thirds majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 403.

Bill read third time.

Remarks by Senator Denis.

Senate Bill No. 403 requires a public school, including a charter school and a university school for the profoundly gifted, and a private school to post on its website information related to school-service providers and data security before allowing a student to use a service operated by a school-service provider and before providing a student with technology. A school-service provider must give notification if there is a breach of the data-security plan.

Finally, Senate Bill No. 403 revises provisions governing targeted advertising and the use of student data by a school-service provider. A student's personally identifiable information may be used for performing certain research required or authorized by federal or State law.

Roll call on Senate Bill No. 403:

YEAS-21

NAYS-None.

Senate Bill No. 403 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 431.

Bill read third time.

Remarks by Senator Cannizzaro.

Senate Bill No. 431 revises provisions governing the crime of organized retail theft by making it a crime to directly or indirectly engage in such activities instead of simply participating in them. The bill also clarifies that committing organized retail theft through the use of an Internet or network site is unlawful and extends from 90 days to 180 days the period of time for which the value of the property or services stolen may be aggregated for the purpose of determining a criminal penalty.

Roll call on Senate Bill No. 431:

YEAS-20.

NAYS-Ohrenschall.

Senate Bill No. 431 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 433.

Bill read third time.

Remarks by Senators Harris and Settelmeyer.

#### SENATOR HARRIS:

Senate Bill No. 433 amends the California-Nevada Compact for Jurisdiction on Interstate Waters to provide that law enforcement officers in California and Nevada have concurrent jurisdiction over prohibited conduct that occurs on Lake Tahoe or Topaz Lake and may investigate and make an arrest on any land mass not more than five air miles from either lake for prohibited conduct that occurred on the water. Additionally, certain claims brought against law enforcement officers of either state are subject to that state's limitations on civil actions against government employees.

The bill directs Nevada's Secretary of State to transmit certified copies of this bill to the Governor and Legislature of the State of California. Provisions of this bill regarding transmittal of the measure to the Governor of the State of California and the California Legislature are effective on July 1, 2019. The remaining provisions of this bill are effective upon a proclamation by the Governor of Nevada that the State of California has enacted amendments to the Compact that are substantially similar to those found in this bill.

#### SENATOR SETTELMEYER:

I rise in support of Senate Bill No. 433. I would like to thank the Senator from District 11 for working on issues and concerns that came about with this bill. This is a necessary bill as we have people who are getting out of tickets on Lake Tahoe and other lakes when they should be getting them.

Roll call on Senate Bill No. 433:

YEAS—21.

NAYS-None.

Senate Bill No. 433 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 441.

Bill read third time.

Remarks by Senator Denis.

Senate Bill No. 441 establishes separate provisions for a charter school to operate exclusively as a charter school for distance education and authorizes the State Public Charter School Authority to approve such schools. A charter school sponsored by a school district that offers a full-time online program is prohibited from enrolling a student in the program who resides outside of that district. The bill authorizes a charter school for distance education to consider using certain methods to collect student information already required in statute. Finally, Senate Bill No. 441 designates the State Public Charter School Authority as the local educational agency for all online charter schools sponsored by the Authority and authorizes the Authority to deem such a charter school as a local educational agency.

Roll call on Senate Bill No. 441:

YEAS—21.

NAYS-None.

Senate Bill No. 441 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

# MOTIONS, RESOLUTIONS AND NOTICES

Senator Ohrenschall moved that Senate Bill No. 452 be taken from its position on the General File and placed on the General File on the last Agenda. Motion carried.

# GENERAL FILE AND THIRD READING

Senate Bill No. 456.

Bill read third time.

Remarks by Senator Ratti.

Senate Bill No. 456 authorizes a hospital to grant admission to membership on its medical staff to Advanced Practice Registered Nurses (APRN) to perform any authorized act within their scope of practice. The bill prohibits hospitals from automatically admitting or denying an APRN membership on the medical staff solely because he or she is an APRN.

Roll call on Senate Bill No. 456:

YEAS—21.

NAYS-None.

Senate Bill No. 456 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 461

Bill read third time.

Remarks by Senator Parks.

Senate Bill No. 461 authorizes the Tahoe-Douglas Visitor's Authority to acquire, improve and operate recreational facilities in the Tahoe Township of Douglas County and confers related powers. The Authority may issue municipal securities for the acquisition of such facilities. The bill also establishes a \$5 "tourism surcharge" on the per-night charges for the rental of lodgings in the Township.

Roll call on Senate Bill No. 461:

YEAS—21.

NAYS—None.

Senate Bill No. 461 having received a two-thirds majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

# MOTIONS, RESOLUTIONS AND NOTICES

Senator Denis moved that Senate Bill No. 469 be taken from its the General File and placed on the General File on the third Agenda.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 480.

Bill read third time.

# Remarks by Senator Goicoechea.

Senate Bill No. 480 revises the process for determining how many elected justices of the peace a township is required to have based upon the population of the township. The bill provides that when the population in a township grows to the point that an increase in the number of justices is indicated, a majority of the justices in the township must consult with the board of county commissioners to determine whether the caseload and available funding warrants an additional justice. If it is determined that a new justice is not warranted, the justices will notify the Director of the Legislative Counsel Bureau and the board of county commissioners. The bill also revises the schedule for determining how many justices are required in each township in a county with a population of less than 100,000 by requiring a new justice when a township's population reaches 50,000 instead of the current 34,000.

Roll call on Senate Bill No. 480:

YEAS—21.

NAYS-None.

Senate Bill No. 480 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 354.

Bill read third time.

Remarks by Senators Woodhouse, Settelmeyer, Pickard and Kieckhefer.

# SENATOR WOODHOUSE:

Senate Bill No. 354 reduces the number of members serving on the Board of Regents of the University of Nevada from 13 to 9 and revises the terms of office from 6 years to 4 years after the initial term. The terms of the members serving at the time Assembly Joint Resolution 5 of the 79th Session passes will expire on January 2, 2023. The bill eliminates the 13 districts from which members are elected and requires the Board of Regents to be composed of 5 members elected from districts established by the Legislature and 4 members appointed by the Governor.

#### SENATOR SETTELMEYER:

I rise in opposition to Senate Bill No. 354. It unnecessarily jeopardizes the other ballot initiative by confusing the subject. We should not take away the right of voters to elect their own regent. I do not support the concept of taking away someone's right to choose.

#### SENATOR PICKARD:

We voted on an amendment during the Education Committee, and that amendment does not appear in this version of the bill. What happened to that vote?

# SENATOR WOODHOUSE:

When the bill was heard in the Education Committee meeting, the intent was to have an amendment, but in working through that amendment, it did not work so it was not processed. A lot of time was spent trying to solve questions people had, but I believe strongly in my decision on this bill. I want to bring to the Board of Regents the opportunity for us to be able to recruit both elected and appointed members that have expertise in business and higher education, the things we want to see from boards that are making these types of decisions. This bill does not go into effect unless Assembly Joint Resolution 5 of the 79th Session passes in 2020.

# SENATOR PICKARD:

I share the concern about getting subject matter experts on the Board of Regents. That is a good move, but because this has the possibility of derailing other legislation that has already passed out of this Chamber, I am voting "no" and urge my colleagues to do the same.

SENATOR KIECKHEFER:

I rise in support of Senate Bill No. 354. I have a different perspective on how this legislation may impact the potential ballot question. This demonstrates the ballot question means something. It is taking them out of the *Constitution*. This demonstrates a willingness to make the reforms to our system of higher education necessary to make that Board an effective governing body of our system of higher education. That can help us if we want to see that ballot question pass. From that perspective, I rise in support.

Roll call on Senate Bill No. 354:

YEAS-15.

NAYS—Goicoechea, Hansen, Hardy, Pickard, Seevers Gansert, Settelmeyer—6.

Senate Bill No. 354 having received a constitutional majority, Madam President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 496.

Bill read third time.

The following amendment was proposed by Senator D. Harris:

Amendment No. 578.

SUMMARY—Revises provisions relating to limousines. (BDR 58-1086)

AN ACT relating to limousines; authorizing the holder of a certificate of public convenience and necessity to operate a limousine in certain counties to lease a limousine to an independent contractor; requiring a lease agreement be entered into between such a limousine operator and the independent contractor; imposing certain duties and responsibilities on such an independent contractor; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a person who holds a certificate of public convenience and necessity to operate a taxicab may lease a taxicab to an independent contractor. The independent contractor may operate the taxicab: (1) as a taxicab to the extent authorized by the certificate holder's certificate; and (2) to provide transportation services under an agreement with a transportation network company. (NRS 706.473, 706.88396) Section 1 of this bill authorizes, in a county whose population is 700,000 or more (currently Clark County), an operator of a limousine who holds a certificate to similarly lease the limousine to an independent contractor who may operate the limousine as a limousine to the extent of the authority of the certificate holder. Existing law makes a violation of section 1 a misdemeanor. (NRS 706.756) Sections 2-5 of this bill make conforming changes.

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

- Section 1. Chapter 706 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection  $\frac{\{8,\}}{9}$ , a certificate holder who is an operator of a limousine in a county whose population is over 700,000 may, upon approval from the Authority, lease a limousine to an independent

contractor who is not a certificate holder. A certificate holder may lease only one limousine to each independent contractor with whom the person enters into a lease agreement. The limousine may be used in a manner authorized by the certificate holder's certificate of public convenience and necessity.

- 2. A certificate holder who enters into a lease agreement with an independent contractor pursuant to this section shall submit a copy of the agreement to the Authority for its approval. The agreement is not effective until approved by the Authority.
- 3. Except as otherwise provided in subsection  $\frac{\{8,\}}{9}$  the Authority may not limit the number of:
  - (a) Lease agreements entered into by a certificate holder; or
  - (b) Days for which a lease agreement remains in effect.
- 4. A certificate holder who leases a limousine to an independent contractor shall inspect the limousine not less than once each month.
- 5. An independent contractor may not operate more than one limousine pursuant to a lease agreement with a certificate holder during any one 24-hour period.
- 6. An independent contractor operating a limousine pursuant to this section must:
- (a) Charge and collect the technology fee imposed pursuant to paragraph (a) of subsection 2 of NRS 706.465, if applicable; and
- (b) Remit to the Authority, not later than the 10th day of each month, all technology fees collected for the immediately preceding month.
- 7. A certificate holder who leases a limousine to an independent contractor is jointly and severally liable with the independent contractor for any violation of the provisions of this chapter or the regulations adopted pursuant thereto and shall ensure that the independent contractor complies with such provisions and regulations.
- 8. The Authority or any of its employees may intervene in a civil action involving a lease agreement entered into pursuant to this section.
- 9. A certificate holder may not have a number of unexpired leases that exceeds 75 percent of the number of limousines the Authority has authorized the certificate holder to operate.
  - Sec. 2. NRS 706.101 is hereby amended to read as follows:
- 706.101 "Operator" means a person, other than a lienholder, having a property interest in or title to a vehicle. Except as otherwise provided in this section, the term includes a person entitled to the use and possession of a vehicle under a lease or contract for the purpose of transporting persons or property. The term does not include a person who is the lessee of a taxicab pursuant to NRS 706.473 [.] or the lessee of a limousine pursuant to section 1 of this act.
  - Sec. 3. NRS 706.465 is hereby amended to read as follows:
- 706.465 1. An operator of a limousine shall, beginning on July 1, 2003, and on July 1 of each year thereafter, pay to the Authority a fee of \$100 for each limousine that the Authority has authorized the operator to operate.

- 2. [An] Except as otherwise provided in section 1 of this act, an operator of a limousine shall:
- (a) Charge and collect a technology fee in an amount set by the Authority for each compensable trip by a limousine that the Authority has authorized the operator to operate, if a computerized real-time data system is used for the purposes set forth in NRS 706.165; and
- (b) Remit to the Authority, not later than the 10th day of each month, all technology fees collected by the operator pursuant to this subsection for the immediately preceding month.
- → The fee charged pursuant to this subsection may only be charged within a county whose population is 700,000 or more, and may be included in the operator's tariff.
- 3. Any person who fails to pay any fee on or before the date provided in this section shall pay a penalty of 10 percent of the amount of the fee, plus interest on the amount of the fee at the rate of 1 percent per month or fraction of a month, from the date the fee is due until the date of payment.
  - 4. As used in this section:
- (a) "Computerized real-time data system" means the computerized real-time data system implemented by the Authority pursuant to subsection 3 of NRS 706.1516.
  - (b) "Limousine" includes:
    - (1) A livery limousine; and
    - (2) A traditional limousine.
  - Sec. 4. NRS 706.475 is hereby amended to read as follows:
- 706.475 1. The Authority shall adopt such regulations as are necessary to:
- (a) Carry out the provisions of NRS 706.473 [;] and section 1 of this act; and
- (b) Ensure that the taxicab [business remains] and limousine businesses remain safe, adequate and reliable.
  - 2. Such regulations must include, without limitation:
  - (a) The minimum qualifications for an independent contractor;
  - (b) Requirements related to liability insurance;
  - (c) Minimum safety standards; and
- (d) The procedure for approving a lease agreement and the provisions that must be included in a lease agreement concerning the grounds for the revocation of such approval.
  - Sec. 5. NRS 706.736 is hereby amended to read as follows:
- 706.736 1. Except as otherwise provided in subsection 2, the provisions of NRS 706.011 to 706.791, inclusive, *and section 1 of this act* do not apply to:
- (a) The transportation by a contractor licensed by the State Contractors' Board of the contractor's own equipment in the contractor's own vehicles from job to job.

- (b) Any person engaged in transporting the person's own personal effects in the person's own vehicle, but the provisions of this subsection do not apply to any person engaged in transportation by vehicle of property sold or to be sold, or used by the person in the furtherance of any commercial enterprise other than as provided in paragraph (d), or to the carriage of any property for compensation.
  - (c) Special mobile equipment.
- (d) The vehicle of any person, when that vehicle is being used in the production of motion pictures, including films to be shown in theaters and on television, industrial training and educational films, commercials for television and video discs and tapes.
- (e) A private motor carrier of property which is used for any convention, show, exhibition, sporting event, carnival, circus or organized recreational activity.
- (f) A private motor carrier of property which is used to attend livestock shows and sales.
- (g) The transportation by a private school of persons or property in connection with the operation of the school or related school activities, so long as the vehicle that is used to transport the persons or property does not have a gross vehicle weight rating of 26,001 pounds or more and is not registered pursuant to NRS 706.801 to 706.861, inclusive.
- 2. Unless exempted by a specific state statute or a specific federal statute, regulation or rule, any person referred to in subsection 1 is subject to:
- (a) The provisions of paragraph (d) of subsection 1 of NRS 706.171 and NRS 706.235 to 706.256, inclusive, 706.281, 706.457 and 706.458.
- (b) All rules and regulations adopted by reference pursuant to paragraph (b) of subsection 1 of NRS 706.171 concerning the safety of drivers and vehicles.
  - (c) All standards adopted by regulation pursuant to NRS 706.173.
- 3. The provisions of NRS 706.311 to 706.453, inclusive, *and section 1 of this act*, 706.471, 706.473, 706.475 and 706.6411 which authorize the Authority to issue:
- (a) Except as otherwise provided in paragraph (b), certificates of public convenience and necessity and contract carriers' permits and to regulate rates, routes and services apply only to fully regulated carriers.
- (b) Certificates of public convenience and necessity to operators of tow cars and to regulate rates for towing services performed without the prior consent of the owner of the vehicle or the person authorized by the owner to operate the vehicle apply to operators of tow cars.
- 4. Any person who operates pursuant to a claim of an exemption provided by this section but who is found to be operating in a manner not covered by any of those exemptions immediately becomes liable, in addition to any other penalties provided in this chapter, for the fee appropriate to the person's actual operation as prescribed in this chapter, computed from the date when that operation began.

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- 5. As used in this section, "private school" means a nonprofit private elementary or secondary educational institution that is licensed in this State.
  - Sec. 6. (Deleted by amendment.)
  - Sec. 7. (Deleted by amendment.)
  - Sec. 8. (Deleted by amendment.)

Senator Harris moved the adoption of the amendment.

Remarks by Senator Harris.

Amendment No. 578 to Senate Bill No. 496 places a maximum on the percentage of limousines that would be able to be contracted out at 75 percent of the number of limousines the Authority is authorized a certificate holder to operate.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

# WAIVERS AND EXEMPTIONS NOTICE OF EXEMPTION

April 22, 2019

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the exemption of: Senate Bill No. 340.

MARK KRMPOTIC Fiscal Analysis Division

Senator Cannizzaro moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 11:41 a.m.

# SENATE IN SESSION

At 12:09 p.m.

President Marshall presiding.

Quorum present.

# REPORTS OF COMMITTEE

# Madam President:

Your Committee on Judiciary, to which were referred Senate Bills Nos. 342, 368, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Judiciary, to which was referred Senate Bill No. 375, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and re-refer to the Committee on Finance.

NICOLE J. CANNIZZARO, Chair

# Madam President:

Your Committee on Legislative Operations and Elections, to which was referred Senate Bill No. 50, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JAMES OHRENSCHALL, Chair

# Madam President:

Your Committee on Revenue and Economic Development, to which were referred Senate Bills Nos. 48, 345, 386, 421, 448, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARILYN DONDERO LOOP, Chair

# SECOND READING AND AMENDMENT

Senate Bill No. 33.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 561.

SUMMARY—Revises provisions governing enforcement of child support obligations. (BDR 38-199)

AN ACT relating to the support of children; imposing certain requirements on insurers {and self insurers} relating to certain claimants owing past-due child support; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law imposes a duty on the parent of a child to support his or her child. (NRS 125B.020, 425.350) Under existing law, if a parent or other person with custody of a child receives public assistance in his or her own behalf or in behalf of the child: (1) the parent or other person is deemed to have assigned his or her right to child support from any other person to the Division of Welfare and Supportive Services of the Department of Health and Human Services to the extent of the public assistance received; and (2) the Division is entitled to any child support to which the parent or other person is entitled to the extent of the public assistance provided by the Division. (NRS 425.350, 425.360) Existing law also establishes a Program to locate absent parents, establish paternity and obtain child support, and enforce child support. (42 U.S.C. §§ 651 et seq.; NRS 425.318)

Section 1 of this bill requires certain insurers [and self insurers] to exchange information, either directly or through Insurance Services Office, Inc., with the Program not less than 5 days [before making any payment of \$500 or more on] after opening certain bodily injury, wrongful death, workers' compensation or life insurance claims for the purpose of verifying whether the claimant owes a debt for child support to the Division or to a person receiving services from the Program. If periodic payments will be made to the claimant, the insurer for self insurer} is required to make this exchange of information only before the initial payment. If an insurer for self-insurer is notified that the claimant owes any such debt for support, the insurer for self-insurer is required, upon receipt of a notice identifying the amount of debt owed, to: (1) withhold from payment on the claim the amount specified in the notice; and (2) remit the amount withheld from payment to the Division, its designated representative or the prosecuting attorney within 30 days. However, section 1 requires the Division, its designated representative or the prosecuting attorney to give any item, for claim or demand for attorney's fees  $\frac{1}{12}$  or costs, medical expenses or property damage [must be paid before] priority over any amount [is] to be withheld and remitted to the Division, its designated representative or the prosecuting attorney. If an insurer for self insurer withholds and remits any such money to the Division, its representative or the prosecuting attorney, the insurer for

self-insurer] is required to notify the claimant and his or her attorney, if known to the insurer, of that fact.

Section 2 of this bill provides that this bill becomes effective on January 1, 2020.

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

Section 1. Chapter 425 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Except as otherwise provided in subsections 7 and 8, each insurer [and self insurer] shall, not [less] later than 5 days [before making any payment of \$500 or more to a claimant,] after opening a tort liability claim for bodily injury or wrongful death, a workers' compensation claim or a claim under a policy of life insurance, exchange information with the Program in the manner prescribed by the Division to verify whether the claimant owes debt for the support of one or more children to the Division or to a person receiving services from the Program. To the extent feasible, the Division shall facilitate a secure electronic process to exchange information with insurers [and self-insurers] pursuant to this subsection. The obligation of an insurer to exchange information with the Program is discharged upon complying with the requirements of this subsection.
- 2. Except as otherwise provided in subsections 4 and 6, if an insurer for self-insurer] is notified by the Program that a claimant owes debt for the support of one or more children to the Division or to a person receiving services from the Program, the insurer for self-insurer] shall, upon receipt of a notice issued by the enforcing authority identifying the amount of debt owed f: pursuant to chapter 31A of NRS:
- (a) <u>Not later than 5 days after receiving notice from the enforcing authority, notify the claimant and his or her attorney, if known to the insurer, of the debt owed;</u>
- <u>(b)</u> Withhold from payment on the claim the amount specified in the notice; and
- $\frac{\{(b)\}}{(c)}$  Remit the amount withheld from payment to the enforcing authority within 30 days.
- 3. If an insurer <u>for self-insurer</u>] withholds any money from payment on a claim and remits the money to the enforcing authority pursuant to subsection 2, the insurer <del>[or self-insurer]</del> shall notify the claimant <u>and his or her attorney</u>, if known to the insurer, of that fact.
- 4. [Any] The enforcing authority shall give any lien, [or] claim or demand for attorney's fees [;] or costs, medical expenses or property damage [has], including, without limitation, a demand for attorney's fees or costs incurred in connection with compensation that is subject to the provisions of NRS 616C.205, priority over any withholding of payment pursuant to subsection 2.
- 5. Any information obtained pursuant to this section must be used only for the purpose of carrying out the provisions of this section. Notwithstanding the

provisions of this subsection, an insurer <del>[or self-insurer]</del> may not be held liable in any civil or criminal action for any act made in good faith pursuant to this section, including, without limitation:

- (a) Any disclosure of information to the Division or to the Program; or
- (b) The withholding of any money from payment on a claim or the remittance of such money to the enforcing authority.
- 6. An insurer [or self-insurer] shall not delay the disbursement of a payment on a claim to comply with the requirements of this section. An insurer [or self-insurer] is not required to comply with subsection 2 if the notice issued by the enforcing authority is received by the insurer [or self-insurer] after the insurer [or self-insurer] has disbursed the payment on the claim. [or, in] In the case of a claim that will be paid through periodic payments, the [initial payment on the claim to a claimant.] insurer:
- (a) Is not required to comply with the provisions of subsection 2 with regard to any payments on the claim disbursed to the claimant before the notice was received by the insurer; and
- (b) Must comply with the provisions of subsection 2 with regard to any payments on the claim scheduled to be made after the receipt of the notice.
- 7. If periodic payments will be made to a claimant, an insurer <del>[or self-insurer]</del> is only required to engage in the exchange of information pursuant to subsection 1 before issuing the initial payment.
- 8. Except as otherwise provided in this subsection, if an insurer <del>[or self insurer]</del> reports information concerning claimants to Insurance Services Office, Inc., the insurer <del>[or self insurer]</del> may comply with the requirements of this section by authorizing Insurance Services Office, Inc., to provide claimant information to the federal Office of Child Support Enforcement of the Administration for Children and Families of the United States Department of Health and Human Services, the Program or a designee identified by the Program for the sole purpose of complying with this section. If Insurance Services Office, Inc. ceases to exist or ceases to receive information relating to claimants reported by insurers <u>[or self insurers]</u> an insurer <del>[or self insurer]</del> may comply with the requirements of this section by authorizing a person determined by the Division to perform the same function as Insurance Services Office, Inc. to provide claimant information to the federal Office of Child Support Enforcement, the Program or a designee identified by the Program for the sole purpose of complying with this section.
  - 9. As used in this section:
  - (a) "Claimant" means any person who:
- (1) Brings a tort liability claim for bodily injury or wrongful death against an insured under a casualty insurance policy, as defined in NRS 681A.020, or a property insurance policy, as defined in NRS 681A.060;
- (2) [Brings a bodily injury or wrongful death tort liability claim against a self insurer;
- (3)] Is a beneficiary under a life insurance policy; or {(4)} (3) Is receiving workers' compensation benefits.

- (b) "Claim for bodily injury" does not include a claim for uninsured or underinsured vehicle coverage or medical payments coverage under a motor vehicle liability policy.
  - (c) "Insurer" means:
- (1) A person who holds a certificate of authority to transact insurance in this State pursuant to NRS 680A.060.
- (2) A nonadmitted insurer, as defined in NRS 685A.0375, with whom nonadmitted insurance, as defined in NRS 685A.037, is placed.
- (3) The Nevada Insurance Guaranty Association created by NRS 687A.040.

# (d) "Self insurer" means.

- (1) A person certified by the Commissioner of Insurance as a self-insured employer pursuant to NRS 616B.312;
- (2) A person certified by the Commissioner of Insurance as an association of self-insured public or private employers pursuant to NRS 616B.359; or
- (3) A person certified by the Department of Motor Vehicles as a self-insurer pursuant to NRS 485.380.1
  - Sec. 2. This act becomes effective on January 1, 2020.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 561 to Senate Bill No. 33 removes references to and the definition of "self-insurer." It requires an insurer to exchange information with the program established by the Division of Welfare and Supportive Services of the Department of Health and Human Services to locate absent parents, establish paternity and obtain and enforce child support claims within five days of opening a tort liability claim for bodily injury or wrongful death, a worker's compensation claim or life insurance claim. It requires an insurer to notify the claimant and his or her attorney, if known to the insurer, within five days of receiving a child-support lien, and provides that, notwithstanding prohibitions in Nevada Revised Statute 616C.205, the enforcing authority must give priority to any lien, claim or demand for attorney's fees and costs, medical expenses or certain property damage.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 180.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 443.

SUMMARY—[Requires certain contractors to post a performance bond before being awarded by a governmental entity certain] Revises provisions relating to the awarding of certain state purchasing contracts related to information technology. (BDR 27-739)

AN ACT relating to purchasing; requiring a [contractor to post a performance bond before a governmental entity may award] state agency who awards a large contract for the procurement of an information system, information service or information technology [;] to either withhold a certain

percentage of any amount due under the contract as retainage or require the contractor to furnish a performance bond; requiring such a state agency to submit certain reports concerning the contract; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law governs state [and local governmental] purchasing contracts. (Chapters [332,] 333 and 334 of NRS) This bill requires a [contractor to furnish a performance bond before a governmental entity may award] state agency who awards a contract for an amount that exceeds \$10,000,000 for the procurement of an information system, information service or information technology. [This bill requires the governmental entity that will award the contract to fix the] to either: (1) withhold a certain percentage of any amount due under the contract as retainage; or (2) require the contractor to furnish a performance bond in a certain amount [of the bond in an amount equal to not less than 50 percent of the contract amount.] to be fixed by the state agency. This bill also requires such a state agency to enter into an agreement with the contractor that specifies certain expectations, benchmarks and penalties relating to the contract. Finally, this bill requires the state agency to submit a quarterly report to the Interim Finance Committee concerning the status of the information system, information service or information technology.

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

Section 1. [NRS 332.105 is hereby amended to read as follows:

- 332.105 Except as otherwise provided in section 3 of this act:
- 1. A bid bond, performance bond, payment bond or any combination thereof, with sufficient surety, in such amount as may be determined necessary by the governing body or its authorized representative, may be required of each bidder or contractor on a particular contract.
- 2. Any such bonds may be to insure proper performance of the contract and save, indemnify and keep harmless the local government against all loss, damages, claims, liabilities, judgments, costs and expenses which may accrue against the local government in consequence of the awarding of the contract.
- 3. If a local government requires such a bond, it shall not also require a detailed financial statement from each bidder on the contract.] (Deleted by amendment.)
  - Sec. 2. NRS 333.360 is hereby amended to read as follows:
- 333.360 1. [A] Except as otherwise provided in section 3 of this act, a bond furnished by a surety company authorized to do business in this state may be required by the Administrator for the proper performance of the contract. The Administrator may request a certified check, cashier's check or bond, in an amount not to exceed the total amount of the contract, before entering into a contract with a person who submits a successful bid or proposal.
- 2. No division or department of the State is liable for any expense incurred by or loss of income sustained by any person because of a request made pursuant to subsection 1.

- Sec. 3. Chapter 334 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. [Before] For any contract for an amount which exceeds \$10,000,000 for the procurement of an information system, information service or information technology for a contracting body [is awarded to any contractor,] the contracting body shall either:
- (a) Withhold as retainage not less than 10 percent of any amount due under the contract until final acceptance of the information system, information service or information technology; or
- (b) Require the contractor [shall], before being awarded the contract, to furnish to the contracting body a performance bond in an amount to be fixed by the contracting body, but not less than [50] 100 percent of the contract amount [1] that is attributable to services and not less than 20 percent of the contract amount that is attributable to hardware or software, conditioned upon the faithful performance of the contract in accordance with the plans, specifications and conditions of the contract. [The bond must be solely for the protection of the contracting body which awarded the contract. The bond becomes binding upon the award of the contract to the contractor.]
- 2. [The] If a performance bond is required by a contracting body pursuant to [this section] subsection 1, the performance bond must [be]:
- (a) Remain in effect at least until the acceptance date of the information system, information service or information technology.
- (b) Be solely for the protection of the contracting body which awarded the contract.
- <u>(c)</u> <u>Be</u> executed by one or more surety companies authorized to do business in the State of Nevada. <u>[If the contracting body is the State of Nevada or any officer, employee, board, bureau, commission, department, agency or institution thereof, the bond must be]</u>
- (d) Be payable to the State of Nevada. [If the contracting body is other than one of those enumerated in this subsection, the bond must be payable to the other contracting body.
- 3. The performance bond required pursuant to this section must be
- (e) Be filed in the office of the contracting body which awarded the contract for which the bond was given.
- [4.] 3. A performance bond required pursuant to subsection 1 becomes binding upon the award of the contract to the contractor.
- 4. In addition to the requirements of subsection 1, a contracting body that awards a contract for an amount which exceeds \$10,000,000 for the procurement of an information system, information service or information technology shall:
- (a) Enter into an agreement with the contractor that specifies:
  - (1) The level of service expected throughout the life of the contract.
  - (2) Benchmarks for the performance of the contractor.
- (3) Penalties to be imposed if the contractor fails to comply with the terms of the contract.

- (b) At least once each calendar quarter submit to the Interim Finance Committee a report concerning the status of the information system, information service or information technology.
- 5. As used in this section:
- (a) "Acceptance date" means the date on which the contracting body who has awarded a contract for the procurement of an information system, information service or information technology provides a written notice of acceptance of the information system, information service or information technology to the contractor or otherwise provides its final acceptance of the information system, information service or information technology in accordance with the provisions of the contract.
- <u>(b)</u> "Contracting body" means the State <del>[f, county, city, town or school district]</del> or any public agency of the State <del>[or its political subdivisions]</del> which has the authority to contract for the procurement of an information system, information service or information technology.
- [(b)] (c) "Information service" has the meaning ascribed to it in NRS 242.055.
- *f(e)* (d) "Information system" has the meaning ascribed to it in NRS 242.057.
- <del>[(d)]</del> (e) "Information technology" has the meaning ascribed to it in NRS 242.059.
- (f) "Retainage" means the amount authorized to be withheld from a contract payment pursuant to subsection 1.
  - Sec. 4. This act becomes effective on July 1, 2019.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

This relates to State purchasing. Amendment No. 443 to Senate Bill No. 180 excludes local governments from the provisions of the bill. It revises the provisions for a performance bond; requires the contracting body to enter into a service-level agreement with the awarded contractor, and requires the State agency contracting bodies to report quarterly to the Interim Finance Committee.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 192.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 107.

SUMMARY—Revises provisions relating to health care. (BDR 53-781)

AN ACT relating to health care; prescribing certain requirements for health benefits for the purpose of determining the minimum wage required to be paid to employees in private employment in this State; fereating the Office of the

Ombudsman for Hospital Patients to advocate for the protection of the health, safety, welfare and rights of hospital patients and to investigate acts, practices, policies and procedures of hospitals and governmental agencies which relate to the care provided by hospitals; providing penalties;] requiring a hospital to provide notice to a patient of certain rights; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 16 of Article 15 of the Nevada Constitution requires each employer in this State to pay a certain minimum wage to each employee of the employer. Under this provision of the Nevada Constitution, if an employer offers health benefits to an employee and his or her dependents, the minimum wage required to be paid to the employee is lower than the minimum wage otherwise required to be paid to the employee. (Nev. Const. Art. 15, § 16) Section 1 of this bill establishes the minimum level of health benefits that an employer is required to make available to an employee and his or her dependents for the purpose of determining whether the employer is authorized to pay the lower minimum wage to the employee.

Escetion 11 of this bill creates the Office of the Ombudsman for Hospital Patients within the Aging and Disability Services Division of the Department of Health and Human Services to advocate for the protection of the health, safety, welfare and rights of patients of hospitals. Section 11 also directs the Ombudsman, under the direction of the Administrator of the Division, to train advocates to receive and investigate complaints made by or on behalf of patients of hospitals, investigate acts, practices, policies or procedures of any hospital and certain governmental agencies and take certain other acts related to the well being and rights of patients of hospitals. Under section 11, the expenses of the Office are required to be paid from money received from the licensing of medical facilities and facilities for the dependent. Section 18 of this bill makes a conforming change to enable the expenses of the Office to be paid from this money.

Section 12 of this bill authorizes the Ombudsman to appoint advocates to assist the Ombudsman. Section 13 of this bill authorizes the Ombudsman or an advocate appointed by the Ombudsman to investigate certain acts or policies upon a complaint by or on behalf of a patient, to make periodic visits to any hospital and to enter any hospital or area of a hospital at reasonable times. Section 13 also authorizes the imposition of an administrative fine for the act of willfully interfering with the investigation or visit to a hospital of the Ombudsman or an advocate and requires that money collected from such fines be deposited the State General Fund. Section 13 provides that the Ombudsman or an advocate is not liable civilly for the good faith performance of any investigation.

—Section 14 of this bill prohibits an officer, director or employee of a hospital from retaliating against any person for having filed a complaint with or provided information to the Ombudsman or an advocate.

- —Section 15 of this bill authorizes the Ombudsman or an advocate to inspect any hospital and any records of a hospital, to interview certain persons and to obtain assistance and information from any agency of the State or its political subdivisions.
- —Section 16 of this bill authorizes the Ombudsman or an advocate, under the direction of the Administrator, to refer the results of an investigation for enforcement by the appropriate governmental agencies and to notify the complainant of the ultimate disposition of the matter raised in his or her complaint.
- Section 17 of this bill authorizes the Aging and Disability Services Division to adopt certain regulations relating to the Office of the Ombudsman for Hospital Patients.
- —Section 2 of this bill authorizes the Attorney for the Rights of Older Persons and Persons with a Physical Disability, an Intellectual Disability or a Related Condition to provide certain assistance, training and support to the Ombudsman.
- Section 3 of this bill makes a conforming change.
- Existing law requires a hospital to provide certain information, including notice of certain rights of a patient, notice of the existence of the Bureau for Hospital Patients and an explanation of the services offered by the Bureau, to a patient upon admission. (NRS 449A.118) Section 18.5 of this bill additionally requires a hospital to provide notice of the patient's right to: (1) make a complaint to certain persons and entities; and (2) designate a caregiver to whom the hospital must provide instructions concerning aftercare. (NRS 449A.300-449A.330)

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

Section 1. Chapter 608 of NRS is hereby amended by adding thereto a new section to read as follows:

For the purpose of determining the minimum wage that may be paid per hour to an employee in private employment pursuant to Section 16 of Article 15 of the Nevada Constitution and NRS 608.250, an employer:

- 1. Provides health benefits as described in Section 16 of Article 15 of the Nevada Constitution only if the employer makes available to the employee and the employee's dependents:
  - (a) At least one health *[insurance]* benefit plan that provides:
- (1) Coverage for services in each of the following categories and the items and services covered within the following categories:
  - (I) Ambulatory patient services;
  - (II) Emergency services;
  - (III) Hospitalization;
  - (IV) Maternity and newborn care;
- (V) Mental health and substance use disorder services, including, without limitation, behavioral health treatment:

- (VI) Prescription drugs;
- (VII) Rehabilitative and habilitative services and devices;
- (VIII) Laboratory services;
- (IX) Preventative and wellness services and chronic disease management;
- (X) Pediatric services, *fineluding*, without limitation, which are not required to include oral and vision care; and
- (XI) Any other health care service or coverage level required to be included in an individual or group health [insurance] benefit plan pursuant to any applicable provision of [chapter 689A or 689B] title 57 of NRS; and
- (2) A level of coverage that is designed to provide benefits that are actuarially equivalent to at least 60 percent of the full actuarial value of the benefits provided under the plan; or
- (b) Health benefits pursuant to a Taft-Hartley trust which is formed pursuant to 29 U.S.C. § 186(c)(5) and qualifies as an employee welfare benefit plan pursuant to:
- (1) The Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.; or
  - (2) The provisions of the Internal Revenue Code; and
- 2. Does not provide health benefits as described in Section 16 of Article 15 of the Nevada Constitution if the employer makes available to the employee and the employee's dependents a hospital-indemnity insurance plan or fixed-indemnity insurance plan unless the employer separately makes available to the employee and the employee's dependents at least one health finsurance benefit plan that complies with the requirements of subsection 1.
- 3. As used in this section, "health benefit plan" has the meaning ascribed to it in NRS 687B.470.
  - Sec. 2. [NRS 427A.1234 is hereby amended to read as follows:
- 427A.1234 1. The Attorney for the Rights of Older Persons and Persons with a Physical Disability, an Intellectual Disability or a Related Condition shall:
- (a) Provide advocacy and education relating to the legal rights of older persons, persons with a physical disability, persons with an intellectual disability or persons with a related condition and shall facilitate the development of legal services to assist those persons in securing and maintaining their legal rights.
- (b) Provide, upon request, technical assistance, training and other support relating to the legal rights of older persons, persons with a physical disability, persons with an intellectual disability or persons with a related condition, as appropriate, to:
- (1) An attorney who is providing legal services for an older person, a person with a physical disability, a person with an intellectual disability or a person with a related condition;
  - (2) An employee of a law enforcement agency;

- (3) The State Long-Term Care Ombudsman or an advocate [;] appointed by the State Long Term Care Ombudsman;
- (4) The Ombudsman for Hospital Patients appointed pursuant to section 11 of this act or an advocate appointed by the Ombudsman for Hospital Patients pursuant to section 12 of this act;
- (5) An employee of an office for protective services of any county;
- [(5)] (6) An employee of the Division; and
- [(6)] (7) Groups that advocate for older persons, persons with a physical disability, persons with an intellectual disability or persons with a related condition.
- (e) Review existing and proposed policies, legislation and regulations that affect older persons, persons with a physical disability, persons with an intellectual disability or persons with a related condition and make recommendations as appropriate to the Administrator.
- (d) Review and analyze information relating to the nature and extent of abuse, neglect, exploitation, isolation and abandonment of older persons, persons with a physical disability, persons with an intellectual disability or persons with a related condition to identify services that need to be provided, including, without limitation:
- (1) Methods of intervening on behalf of an older person, a person with a physical disability, a person with an intellectual disability or a person with a related condition to protect the older person, person with a physical disability, person with an intellectual disability or person with a related condition from abuse, neglect, exploitation, isolation or abandonment; and
- (2) Enforcing the laws of this state governing abuse, neglect, exploitation, isolation and abandonment of older persons, persons with a physical disability, persons with an intellectual disability or persons with a related condition.
- 2. The Attorney for the Rights of Older Persons and Persons with a Physical Disability, an Intellectual Disability or a Related Condition may:
- (a) Have access to, inspect, copy and subpoena all records in the possession of any clerk of a court, law enforcement agency or public or private institution, wherever situated, that relate to the abuse, neglect, exploitation, isolation or abandonment of an older person, a person with a physical disability, a person with an intellectual disability or a person with a related condition.
- (b) Have access to all written records in the possession of any person, government, governmental agency or political subdivision of a government that relate to the abuse, neglect, exploitation, isolation or abandonment of an older person, a person with a physical disability, a person with an intellectual disability or a person with a related condition.
- (e) Represent and assist any incapacitated older person, person with a physical disability, person with an intellectual disability or person with a related condition until a guardian is appointed for that person.
- —(d) Use the information obtained pursuant to paragraphs (a) and (b) to resolve complaints relating to the abuse, neglect, exploitation, isolation or

- abandonment of an older person, a person with a physical disability, a person with an intellectual disability or a person with a related condition.
- (e) Develop services relating to financial management for an older person, a person with a physical disability, a person with an intellectual disability or a person with a related condition who is at risk of having a guardian appointed by a court to manage his or her property.
- (f) Act as the state legal assistance developer as described in 42 U.S.C. § 3058j.
- (g) Appear as amicus curiae on behalf of older persons, persons with a physical disability, persons with an intellectual disability or persons with a related condition in any court in this state.
- (h) Perform such other functions as are necessary to carry out the duties and the functions of the office of the Attorney for the Rights of Older Persons and Persons with a Physical Disability, an Intellectual Disability or a Related Condition.] (Deleted by amendment.)
  - Sec. 3. NRS 444.300 is hereby amended to read as follows:
- 444.300 Any person employed by a children's camp on a written contract basis for a specified term longer than 1 week is exempt from the provisions of NRS 608.250 to 608.290, inclusive, *and section 1 of this act* and chapter 609 of NRS relating to daily and weekly hours of labor only if such camp is operated by a nonprofit organization which is exempt from federal income tax under I.R.C. § 501.
- Sec. 4. [Chapter 449A of NRS is hereby amended by adding thereto the provisions set forth as sections 5 to 17, inclusive, of this aet.] (Deleted by amendment.)
- Sec. 5. [As used in sections 5 to 17, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 6 to 10, inclusive, of this act have the meanings ascribed to them in those sections.]

  (Deleted by amendment.)
- Sec. 6. ["Administrator" means the Administrator of the Aging and Disability Services Division of the Department of Health and Human Services.] (Deleted by amendment.)
- Sec. 7. ["Advocate" means an advocate appointed by the Ombudsman pursuant to section 12 of this act.] (Deleted by amendment.)
- Sec. 8. ["Department" means the Department of Health and Human Services.] (Deleted by amendment.)
- Sec. 9. ["Division" means the Aging and Disability Services Division of the Department.] (Deleted by amendment.)
- Sec. 10. ["Ombudsman" means the Ombudsman for Hospital Patients appointed by the Administrator pursuant to section 11 of this act.] (Deleted by amendment.)
- Sec. 11. [1. The Office of the Ombudsman for Hospital Patients is hereby created within the Division.
- 2. The Administrator shall appoint the Ombudsman for Hospital Patients to advocate for the protection of the health, safety, welfare and rights of

patients of hospitals. The Ombudsman is in the classified service of the State.

The Ombudsman shall, under direction of the Administrator:

- (a) Train advocates to:
- (1) Receive, investigate and attempt to resolve complaints made by or on behalf of patients of hospitals.
- (2) Investigate acts, practices, policies or procedures of any hospital or any governmental agency which relates to the care provided at hospitals and may adversely affect the health, safety, welfare or civil rights of patients of hospitals, and report the results of the investigations to the Ombudsman and the Administrator.
- (3) Record and analyze information and complaints about hospitals to identify problems affecting their patients.
- (4) Provide for the support and development of patient and family councils to protect the well-being and rights of patients of hospitals.
- —(b) Coordinate services within the Department which may affect patients and prospective patients of hospitals to ensure that such services are made available to eligible persons.
- (c) Provide information to interested persons and to the general public concerning the functions and activities of the Ombudsman.
- (d) Report annually to the Administrator.
- 3. The Ombudsman may:
- (a) Analyze, provide comment on and monitor the development and implementation of any federal, state or local governmental action, activity or program that relates to the protection of the health, safety, welfare and rights of patients of hospitals; and
- (b) Recommend changes to any federal, state or local governmental action, activity or program described in paragraph (a) without the prior approval of the Administrator.
- 4. The expenses of the Office of the Ombudsman for Hospital Patients must, to the extent of the amount authorized and appropriated by the Legislature, be paid from money received from licensing medical facilities and facilities for the dependent and deposited in the State General Fund pursuant to NRS 449.0306.1 (Deleted by amendment.)
- Sec. 12. [1. The Ombudsman may appoint one or more advocates to assist the Ombudsman who are within the Division and in the classified service of the State. Each advocate shall perform his or her duties at the direction of the Ombudsman.
- 2. The Ombudsman may:
- (a) Create a volunteer advocacy program within the Office of the Ombudsman to be administered by the Ombudsman; and
- (b) Appoint volunteer advocates who may act as representatives of the Ombudsman.] (Deleted by amendment.)
  - Sec. 13. [1. The Ombudsman or an advocate may:

- (a) Upon a complaint by or on behalf of a patient, investigate any act or policy which the Ombudsman or advocate has reason to believe may adversely affect the health, safety, welfare or civil rights of any patient of a hospital; and (b) Make periodic visits to any hospital to provide information to the patients of the hospital and to review generally any act, practice, policy, procedure or condition which may adversely affect the health, safety, welfare or civil or other rights of any patient of the hospital.
- 2. The Ombudsman or an advocate may enter any hospital and any area within the hospital at reasonable times with or without prior notice and must be permitted access to patients of the hospital at all times. Upon arrival at the hospital, the Ombudsman or advocate shall make his or her presence known to the staff of the hospital and shall present appropriate identification.
- 3. A person shall not willfully interfere with the Ombudsman or an advocate in the performance of any investigation or visitation pursuant to this section. If any person is found, after notice and a hearing, to have willfully violated any provision of this subsection, the Director of the Department, at the request of the Administrator, may refer the matter to the Division for the imposition of an administrative fine of not more than \$1,000 for each violation.

  4. Any money collected as a result of an administrative fine imposed pursuant to this section must be deposited in the State General Fund.
- —5. Each patient has the right to request, deny or terminate visits with the Ombudsman or an advocate.
- -6. The Ombudsman or an advocate is not liable civilly for the good faith performance of any investigation.] (Deleted by amendment.)
- Sec. 14. [1. An officer, director or employee of a hospital shall not retaliate against any person for having filed a complaint with, or provided information to, the Ombudsman or an advocate.
- 2. If any person is found, after notice and a hearing, to have violated any provision of subsection 1, the Director of the Department, at the request of the Administrator, may refer the matter to the Division for the imposition of an administrative fine of not more than \$1,000 for each violation.
- 3. Any money collected as a result of an administrative fine imposed pursuant to this section must be deposited in the State General Fund.] (Deleted by amendment.)
- Sec. 15. *[In conducting an investigation, the Ombudsman or an advocate may:*
- 1. Inspect any hospital and any records maintained by the hospital. Except as otherwise provided in this subsection, medical and personal financial records may be inspected only with the informed consent of the patient, the legal guardian of the patient or the person or persons designated as responsible for decisions regarding the patient. Such consent may be obtained orally, visually, in writing or through the use of auxiliary aids and services, as long as such consent is documented by the Ombudsman or the advocate.
- 2. Interview:

- (a) Officers, directors and employees of any hospital, including any licensed provider of health care as defined in NRS 629.031, who renders services to the hospital or its patients.
- (b) Any patient of the hospital and the legal guardian of the patient, if any, and the family of the patient or the person or persons designated as responsible for decisions regarding his or her care if the patient consents to the interview.
- 3. Obtain such assistance and information from any agency of the State of its political subdivisions as is necessary properly to perform the investigation. (Deleted by amendment.)
- Sec. 16. [1. In appropriate eases and under the Administrator's direction, the Ombudsman or an advocate shall refer the results of an investigation to the governmental agencies with authority to enforce applicable laws and regulations through administrative, civil or criminal proceedings.
- 2. The Ombudsman or an advocate shall notify the complainant of the ultimate disposition of the matter raised in his or her complaint.} (Deleted by amendment.)
- Sec. 17. [The Division may adopt regulations regarding the requirement, contents, posting and distribution of a notice which describes the purpose of the Ombudsman and an advocate and sets forth the procedure for making a complaint to the Ombudsman or an advocate.] (Deleted by amendment.)
- Sec. 18. [NRS 449.0306 is hereby amended to read as follows:
- —449.0306—1. Money received from licensing medical facilities and facilities for the dependent must be forwarded to the State Treasurer for deposit in the State General Fund to the credit of the Division [.] of Public and Behavioral Health of the Department of Health and Human Services and, to the extent of the amount authorized and appropriated by the Legislature, the Aging and Disability Services Division of the Department.
- 2. The Division shall enforce the provisions of NRS 449.029 to 449.245, inclusive, and may incur any necessary expenses not in excess of money authorized for that purpose by the State or received from the Federal Government.] (Deleted by amendment.)
  - Sec. 18.5. NRS 449A.118 is hereby amended to read as follows:
- 449A.118 1. Every medical facility and facility for the dependent shall inform each patient or the patient's legal representative, upon the admission of the patient to the facility, of the patient's rights as listed in NRS 449A.100 and 449A.106 to 449A.115, inclusive.
- 2. In addition to the requirements of subsection 1, if a person with a disability is a patient at a facility, as that term is defined in NRS 449A.218, the facility shall inform the patient of his or her rights pursuant to NRS 449A.200 to 449A.263, inclusive.
- 3. In addition to the requirements of subsections 1 and 2, every hospital shall, upon the admission of a patient to the hospital, provide to the patient or the patient's legal representative  $\frac{1}{4}$ :
- (a) Notice of the right of the patient to:

- (1) Designate a caregiver pursuant to NRS 449A.300 to 449A.330, inclusive; and
- (2) Express complaints and grievances as described in paragraphs (b) to (f), inclusive;
- (b) The name and contact information for persons to whom such complaints and grievances may be expressed, including, without limitation, a patient representative or hospital social worker;
- (c) Instructions for filing a complaint with the Division;
- <u>(d)</u> The name and contact information of any entity responsible for accrediting the hospital;
- <u>(e)</u> <u>A</u> written disclosure approved by the Director of the Department of Health and Human Services, which written disclosure must set forth:
- [(a)] (1) Notice of the existence of the Bureau for Hospital Patients created pursuant to NRS 232.462;
  - [(b)] (2) The address and telephone number of the Bureau; and
- [(e)] (3) An explanation of the services provided by the Bureau, including, without limitation, the services for dispute resolution described in subsection 3 of NRS 232.462 [→]; and
- (f) Contact information for any other state or local entity that investigates complaints concerning the abuse or neglect of patients.
- 4. In addition to the requirements of subsections 1, 2 and 3, every hospital shall, upon the discharge of a patient from the hospital, provide to the patient or the patient's legal representative a written disclosure approved by the Director, which written disclosure must set forth:
  - (a) If the hospital is a major hospital:
- (1) Notice of the reduction or discount available pursuant to NRS 439B.260, including, without limitation, notice of the criteria a patient must satisfy to qualify for a reduction or discount under that section; and
- (2) Notice of any policies and procedures the hospital may have adopted to reduce charges for services provided to persons or to provide discounted services to persons, which policies and procedures are in addition to any reduction or discount required to be provided pursuant to NRS 439B.260. The notice required by this subparagraph must describe the criteria a patient must satisfy to qualify for the additional reduction or discount, including, without limitation, any relevant limitations on income and any relevant requirements as to the period within which the patient must arrange to make payment.
- (b) If the hospital is not a major hospital, notice of any policies and procedures the hospital may have adopted to reduce charges for services provided to persons or to provide discounted services to persons. The notice required by this paragraph must describe the criteria a patient must satisfy to qualify for the reduction or discount, including, without limitation, any relevant limitations on income and any relevant requirements as to the period within which the patient must arrange to make payment.
- → As used in this subsection, "major hospital" has the meaning ascribed to it in NRS 439B.115.

- 5. In addition to the requirements of subsections 1 to 4, inclusive, every hospital shall post in a conspicuous place in each public waiting room in the hospital a legible sign or notice in 14-point type or larger, which sign or notice must:
- (a) Provide a brief description of any policies and procedures the hospital may have adopted to reduce charges for services provided to persons or to provide discounted services to persons, including, without limitation:
- (1) Instructions for receiving additional information regarding such policies and procedures; and
  - (2) Instructions for arranging to make payment;
  - (b) Be written in language that is easy to understand; and
  - (c) Be written in English and Spanish.
- Sec. 19. 1. This act becomes effective upon passage and approval for the purpose of adopting regulations and performing any other administrative tasks that are necessary to carry out the provisions of this act and on January 1, 2020, for all other purposes.
- 2. The amendatory provisions of section 1 of this act expire by limitation on November 24, 2020, if the provisions of Senate Joint Resolution No. 6 of the 79th Session of the Nevada Legislature (2017) are agreed to and passed by the 2019 Legislature and approved and ratified by the voters at the 2020 General Election.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 107 to Senate Bill No. 192 eliminates provisions related to the creation of the Office of the Ombudsman for Hospital Patients and instead requires hospitals to provide patients certain information regarding their rights and responsibilities; replaces the term "health insurance plan" with "health benefit plan," and clarifies that pediatric services are not required to include oral and vision care.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 203.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 164.

SUMMARY—Revises provisions governing programs for children who are blind, visually impaired, deaf or hard of hearing. (BDR 38-77)

AN ACT relating to persons with disabilities; [creating the Account to Provide Programs and Services to Children Who Are Blind, Visually Impaired, Deaf or Hard of Hearing; requiring the submission of an annual report to the Interim Finance Committee detailing expenditures made from the Account;] authorizing the establishment of a program to negotiate discounts and rebates for hearing devices and related costs for children who are deaf and hard of hearing; requiring the establishment of a program to provide hearing aids at no charge to certain children who reside in low-income households; providing for

the establishment of criteria for evaluating the development of language and literacy skills by certain young children who are deaf. [or] hard of hearing. [;], blind, visually impaired or both deaf and blind; requiring the Department of Education to develop a resource for parents or guardians to measure the development of such skills by such children; requiring a team developing certain plans and programs for such children to use the established criteria to measure the development of such skills by such children; requiring the Department to publish an annual report concerning the development of such skills by such children; providing for an interim study of the feasibility of establishing a public school for pupils who are blind, visually impaired, deaf or hard of hearing; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires the Aging and Disability Services Division of the Department of Health and Human Services to undertake certain activities to support persons with disabilities in this State. (NRS 427A.040) Section 2 of this bill creates in the State General Fund the Account to Provide Programs and Services to Children Who Are Blind, Visually Impaired, Deaf or Hard of Hearing to be administered by the Director of the Department. The Director is required to apply for available grants and is authorized to accept gifts, grants, donations and money from any other source for deposit into the Account. Section 2 requires the money in the Account to be used only to pay for programs and services for children who are blind, visually impaired, deaf or hard of hearing. Section 2 additionally requires the Director to submit an annual report to the Interim Finance Committee detailing the expenditures made from the Account.

Existing law establishes a program to provide assistive technology and interpreters for persons who are deaf or hard of hearing. Existing law imposes a surcharge of not more than 8 cents per month on each access line of each customer to the local exchange of any telephone company, the funds from which are used to cover the costs of the program, fund the centers established by the program and cover certain other costs. (NRS 427A.797) Section 3.2 of this bill authorizes the Director of the Department of Health and Human Services to establish a program to negotiate discounts and rebates for hearing devices and related costs for children in this State who are deaf or hard of hearing on behalf of public and private insurers, residents of this State and other entities that provide health coverage or otherwise purchase hearing devices for such children.

Section 3.3 of this bill requires the Aging and Disability Services Division of the Department to develop and administer a program whereby any child under 13 years of age who is hard of hearing may apply to obtain a hearing aid at no charge if the child resides in a home with a household income that is at or below 400 percent of the federal poverty level and does not have insurance coverage for a hearing aid. Section 3.3 requires the Division to establish by regulation the manner in which to apply to receive a hearing aid from the program and requires applications to be awarded to the extent money is

available, in the order in which the applications are received. Section 3.3 additionally requires the Division to annually submit a report to the Nevada Commission for Persons Who Are Deaf, Hard of Hearing or Speech Impaired that sets forth the number of applications received and approved during the previous calendar year and the number of children on the waiting list for a hearing aid. Section 3.3 authorizes the Division to accept gifts, grants and donations to pay for the program. Section 3.8 requires the Division, in consultation with the Commission, to designate annually an amount of money in the Account for Services for Persons With Impaired Speech or Hearing that the Division must use in that calendar year to cover the costs of the program to provide assistive technology and interpreters for persons who are deaf or hard of hearing and, after designating such money, authorizes the Division to use the remaining money in the Account for certain other purposes. Such purposes include paying the costs of the program established by section 3.3 to provide hearing aids to low-income children. Section 3.5 of this bill makes conforming changes.

\_Existing law requires public schools to provide special programs and services for pupils with disabilities. (NRS 388.419, 388.429) Section 9 of this bill requires the Superintendent of Public Instruction to establish the Advisory Committee on Language Development for Children Who Are Deaf, for Hard of Hearing  $\boxminus$ , Blind or Visually Impaired. Section 10 of this bill requires the Committee to recommend to the State Board of Education criteria for the development of language and literacy skills by children who are less than 6 years of age and are deaf,  $\frac{1}{1}$  hard of hearing  $\frac{1}{1}$ , blind or visually impaired. Section 11 of this bill requires the State Board of Education to: (1) make any revisions necessary so that the criteria recommended by the Committee meet certain requirements; (2) adopt those criteria; and (3) develop a resource for use by the parents or guardians to evaluate the development of language and literacy skills by children who are less than 6 years of age and are deaf, [or] hard of hearing  $\boxminus$ , blind or visually impaired. Section 10 also requires the Committee to make recommendations concerning certain other matters, including criteria for use by school employees and providers of services to assess the development of language and literacy skills by children who are less than 6 years of age and are deaf, for hard of hearing [...], blind or visually impaired. Section 12 of this bill requires the State Board to adopt such criteria after considering the recommendations of the Committee. Section 12 also requires the Department of Education to provide to certain persons and entities that provide educational services to children who are less than 6 years of age and are deaf\_, for hard of hearing , blind or visually impaired with: (1) a summary of the criteria; and (2) training in the use of the criteria.

Existing federal law requires: (1) a local educational agency to develop an individualized education program prescribing special education and related services and supplementary aids and services for a child with a disability who is between 3 and 9 years of age; and (2) a state to establish an individualized family service plan prescribing early intervention services for a child with a

disability who is less than 3 years of age. (20 U.S.C. §§ 1414, 1436) Sections 3 and 14 of this bill require a team developing such a program or plan for a child who is deaf., [or] hard of hearing, blind or visually impaired to use the criteria adopted by the State Board to evaluate the child's development of language and literacy skills.

Section 13 of this bill requires the Department of Education, in collaboration with the Aging and Disability Services Division, to publish an annual report of aggregated data comparing the development of language and literacy skills by children in this State who are less than 6 years of age and are deaf , [or] hard of hearing , blind or visually impaired with the development of such skills by such children who do not have a disability.

Section 15 of this bill requires the Legislative Commission to appoint a committee of legislators to conduct an interim study of the feasibility of establishing a public school for pupils who are blind, visually impaired, deaf or hard of hearing.

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

- Section 1. Chapter 427A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 [and 3] to 3.3, inclusive, of this act.
- Sec. 2. [1. The Account to Provide Programs and Services to Children Who Are Blind, Visually Impaired, Deaf or Hard of Hearing is hereby created in the State General Fund. The Director shall administer the Account.
- 2. The Director shall apply for any available grants and may accept gifts, grants and donations and any other source of money for deposit in the Account.
- 3. Money deposited in the Account and any interest and income earned on such money must be used only to pay for programs and services for children who are blind, visually impaired, deaf or hard of hearing. Such programs and services may include, without limitation, programs and services that:
- (a) Take place during or after school
- (b) Are educational or regreational: and
- -(e) Are provided by the Division or a school district, school or any other nerson or entity.
- 4. The interest and income earned on the money in the Account must be eredited to the Account. Any claims against the Account must be paid as other claims against the State are paid. Money in the Account does not revert to the State General Fund at the end of the fiscal year, but must be carried forward to the next fiscal year.
- 5. The Director shall, on or before August 1 of each year, prepare and submit to the Interim Finance Committee a report detailing the expenditures made from the Account.] (deleted by amendment)
- Sec. 3. 1. When developing an individualized family service plan for a child who is deaf, [or] hard of hearing, blind or visually impaired, including, without limitation, a child who is both deaf and blind, the child's individualized family service plan team shall use the criteria prescribed pursuant to

- section 12 of this act, in addition to any methods of assessment required by federal law, to evaluate the child's development of language and literacy skills and to determine whether to modify the individualized family service plan. If the team determines that the child is not progressing properly in his or her development of language and literacy skills, the team must include in the plan:
- (a) A detailed explanation of the reasons that the child is not making adequate progress; and
- (b) Recommendations for services and programs to assist the child's development of language and literacy skills.
  - 2. As used in this section:
- (a) "Individualized family service plan" has the meaning ascribed to it in 20 U.S.C. § 1436.
- (b) "Individualized family service plan team" means a multidisciplinary team assembled to develop an individualized family service plan pursuant to 20 U.S.C. § 1436(a)(3).
- Sec. 3.2. 1. The Director may establish a program to negotiate discounts and rebates for hearing devices and related costs, including, without limitation, ear molds, batteries and FM systems, for children in this State who are deaf or hard of hearing on behalf of entities described in subsection 2 who participate in the program.
- 2. The following persons and entities may participate in a program established pursuant to subsection 1:
- (a) The Public Employees' Benefits Program;
- (b) A governing body of a county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency that provides health coverage to employees through a self-insurance reserve fund pursuant to NRS 287.010;
- (c) An insurer licensed pursuant to title 57 of NRS;
- (d) An employer or employee organization based in this State that provides health coverage to employees through a self-insurance reserve fund;
- (e) A governmental agency or nonprofit organization that purchases hearing devices for children in this State who are deaf or hard of hearing;
- (f) A resident of this State who does not have coverage for hearing devices; and
- (g) Any other person or entity that provides health coverage or otherwise purchases hearing devices for children in this State who are deaf or hard of hearing.
- 3. A person or entity described in subsection 2 may participate in any program established pursuant to subsection 1 by submitting an application to the Department in the form prescribed by the Department.
- Sec. 3.3. 1. The Division shall develop and administer a program whereby any child who is less than 13 years of age whom the Division determines is hard of hearing may apply to obtain a hearing aid at no charge to the child if the child:

- (a) Resides in a home in which the household income is at or below 400 percent of the federally designated level signifying poverty; and
- (b) Does not have insurance coverage for a hearing aid.
- 2. The Division shall establish by regulation the manner in which a person may apply to receive a hearing aid pursuant to subsection 1 and the manner in which hearing aids may be provided by the program. Applications must be approved to the extent money is available in the order in which the applications are received.
- 3. The Division may accept gifts, grants and donations for the purpose of carrying out the provisions of this section.
- 4. On or before February 15 of each year, the Division shall:
- (a) Prepare a report concerning the program developed pursuant to subsection 1 which must include, without limitation, the number of applications received pursuant to subsection 1 in the previous calendar year, the number of applications that were approved, the number of children who are on the waiting list to receive a hearing aid and any other information deemed appropriate by the Division; and
- (b) Submit a copy of the report to the Nevada Commission for Persons Who Are Deaf, Hard of Hearing or Speech Impaired, the Governor and the Director of the Legislative Counsel Bureau for transmittal to the Legislature.
  - Sec. 3.5. NRS 427A.040 is hereby amended to read as follows:
- 427A.040 1. The Division shall, consistent with the priorities established by the Commission pursuant to NRS 427A.038:
- (a) Serve as a clearinghouse for information related to problems of the aged and aging.
- (b) Assist the Director in all matters pertaining to problems of the aged and aging.
- (c) Develop plans, conduct and arrange for research and demonstration programs in the field of aging.
- (d) Provide technical assistance and consultation to political subdivisions with respect to programs for the aged and aging.
- (e) Prepare, publish and disseminate educational materials dealing with the welfare of older persons.
- (f) Gather statistics in the field of aging which other federal and state agencies are not collecting.
- (g) Stimulate more effective use of existing resources and available services for the aged and aging.
- (h) Develop and coordinate efforts to carry out a comprehensive State Plan for Providing Services to Meet the Needs of Older Persons. In developing and revising the State Plan, the Division shall consider, among other things, the amount of money available from the Federal Government for services to aging persons and the conditions attached to the acceptance of such money, and the limitations of legislative appropriations for services to aging persons.
- (i) Coordinate all state and federal funding of service programs to the aging in the State.

- 2. The Division shall:
- (a) Provide access to information about services or programs for persons with disabilities that are available in this State.
- (b) Work with persons with disabilities, persons interested in matters relating to persons with disabilities and state and local governmental agencies in:
- (1) Developing and improving policies of this State concerning programs or services for persons with disabilities, including, without limitation, policies concerning the manner in which complaints relating to services provided pursuant to specific programs should be addressed; and
- (2) Making recommendations concerning new policies or services that may benefit persons with disabilities.
- (c) Serve as a liaison between state governmental agencies that provide services or programs to persons with disabilities to facilitate communication and the coordination of information and any other matters relating to services or programs for persons with disabilities.
- (d) Serve as a liaison between local governmental agencies in this State that provide services or programs to persons with disabilities to facilitate communication and the coordination of information and any other matters relating to services or programs for persons with disabilities. To inform local governmental agencies in this State of services and programs of other local governmental agencies in this State for persons with disabilities pursuant to this subsection, the Division shall:
- (1) Provide technical assistance to local governmental agencies, including, without limitation, assistance in establishing an electronic network that connects the Division to each of the local governmental agencies that provides services or programs to persons with disabilities;
- (2) Work with counties and other local governmental entities in this State that do not provide services or programs to persons with disabilities to establish such services or programs; and
- (3) Assist local governmental agencies in this State to locate sources of funding from the Federal Government and other private and public sources to establish or enhance services or programs for persons with disabilities.
- (e) Administer the following programs in this State that provide services for persons with disabilities:
- (1) The program established pursuant to NRS 427A.791, 427A.793 and 427A.795 to provide services for persons with physical disabilities;
- (2) The programs established pursuant to NRS 427A.800, 427A.850 and 427A.860 to provide services to persons with traumatic brain injuries;
- (3) <u>The program established pursuant to section 3.3 of this act to provide</u> hearing aids to children who are hard of hearing;
- (4) The program established pursuant to NRS 427A.797 to provide devices for telecommunication to persons who are deaf and persons with impaired speech or hearing;

- [(4)] (5) Any state program for independent living established pursuant to 29 U.S.C. §§ 796 et seq., with the Rehabilitation Division of the Department of Employment, Training and Rehabilitation acting as the designated state [unit.] entity, as that term is defined in [34] 45 C.F.R. § [364.4:] 1329.4; and
- $\frac{(5)}{(6)}$  Any state program established pursuant to the Assistive Technology Act of 1998, 29 U.S.C. §§ 3001 et seq.
- (f) Provide information to persons with disabilities on matters relating to the availability of housing for persons with disabilities and identify sources of funding for new housing opportunities for persons with disabilities.
- (g) Before establishing policies or making decisions that will affect the lives of persons with disabilities, consult with persons with disabilities and members of the public in this State through the use of surveys, focus groups, hearings or councils of persons with disabilities to receive:
- (1) Meaningful input from persons with disabilities regarding the extent to which such persons are receiving services, including, without limitation, services described in their individual service plans, and their satisfaction with those services; and
- (2) Public input regarding the development, implementation and review of any programs or services for persons with disabilities.
- (h) Publish and make available to governmental entities and the general public a biennial report which:
- (1) Provides a strategy for the expanding or restructuring of services in the community for persons with disabilities that is consistent with the need for such expansion or restructuring;
- (2) Reports the progress of the Division in carrying out the strategic planning goals for persons with disabilities identified pursuant to chapter 541, Statutes of Nevada 2001;
- (3) Documents significant problems affecting persons with disabilities when accessing public services, if the Division is aware of any such problems;
- (4) Provides a summary and analysis of the status of the practice of interpreting and the practice of realtime captioning, including, without limitation, the number of persons engaged in the practice of interpreting in an educational setting in each professional classification established pursuant to NRS 656A.100 and the number of persons engaged in the practice of realtime captioning in an educational setting; and
- (5) Recommends strategies and, if determined necessary by the Division, legislation for improving the ability of the State to provide services to persons with disabilities and advocate for the rights of persons with disabilities.
- 3. The Division shall confer with the Department as the sole state agency in the State responsible for administering the provisions of this chapter and chapter 435 of NRS.
- 4. The Division shall administer the provisions of chapters 435, 437 and 656A of NRS.

- 5. The Division may contract with any appropriate public or private agency, organization or institution, in order to carry out the provisions of this chapter and chapter 435 of NRS.
  - Sec. 3.8. NRS 427A.797 is hereby amended to read as follows:
- 427A.797 1. The Division shall develop and administer a program whereby:
- (a) Any person who is a customer of a telephone company which provides service through a local exchange or a customer of a company that provides wireless phone service and who is certified by the Division to be deaf or to have severely impaired speech or hearing may obtain a device for telecommunication or other assistive technology capable of serving the needs of such persons at no charge to the customer beyond the rate for basic service;
- (b) Any person who is deaf or has severely impaired speech or hearing may communicate by telephone, including, without limitation, a wireless phone, or other means with other persons through a dual-party relay system or other assistive technology; and
- (c) Interpreters are made available, when possible, to the Executive, Judicial and Legislative Departments of State Government to assist those departments in providing access to persons who are deaf or hard of hearing. The Division shall, to the extent money is available, employ one or more interpreters in the unclassified service of the State for the purposes of this paragraph.
- 2. The program developed pursuant to subsection 1 must include the establishment of centers for persons who are deaf or hard of hearing that provide services which must include, without limitation:
- (a) Facilitating the provision and distribution of devices for telecommunication and other assistive technology to persons with impaired speech or hearing;
- (b) Assisting persons who are deaf or have severely impaired speech or hearing in accessing assistive devices, including, without limitation, hearing aids, electrolarynxes and devices for telecommunication and other assistive technology;
- (c) Expanding the capacity for service using devices for telecommunication and other assistive technology in areas where there is a need for such devices and technology and services for persons with impaired speech or hearing are not available;
- (d) Providing instruction in language acquisition to persons determined by the center to be eligible for services; and
- (e) Providing programs designed to increase access to education, employment and health and social services.
- 3. A surcharge of not more than 8 cents per month is hereby imposed on each access line of each customer to the local exchange of any telephone company providing such lines in this State and on each personal wireless access line of each customer of any company that provides wireless phone services in this State. The surcharge must be used to:

- (a) Cover the costs of the program;
- (b) Fund the centers for persons who are deaf or hard of hearing established pursuant to subsection 2; and
- (c) Cover the costs incurred by the Division to carry out the provisions of chapter 656A of NRS that are not covered by the civil penalties received by the Division pursuant to NRS 656A.800.
- → The Public Utilities Commission of Nevada shall establish by regulation the amount to be charged. Those companies shall collect the surcharge from their customers and transfer the money collected to the Commission pursuant to regulations adopted by the Commission.
- 4. The Account for Services for Persons With Impaired Speech or Hearing is hereby created within the State General Fund and must be administered by the Division. Any money collected from the surcharge imposed pursuant to subsection 3 must be deposited in the State Treasury for credit to the Account.
- 5. The <u>Division shall</u>, in consultation with the Commission, designate annually an amount of money in the Account to be used by the Division in that calendar year only to cover the costs of the program developed pursuant to subsection 1.
- 6. After designating the amount of money to use pursuant to subsection 5, the Division may use the remaining money in the Account [may be used] only:
- (a) For the purchase, maintenance, repair and distribution of the devices for telecommunication and other assistive technology, including the distribution of such devices and technology to state agencies and nonprofit organizations;
  - (b) To establish and maintain the dual-party relay system;
- (c) To reimburse telephone companies and companies that provide wireless phone services for the expenses incurred in collecting and transferring to the Public Utilities Commission of Nevada the surcharge imposed by the Commission;
- (d) For the general administration of the program developed and administered pursuant to subsection 1;
- (e) To train persons in the use of the devices for telecommunication and other assistive technology;
- (f) To fund the centers for persons who are deaf or hard of hearing established pursuant to subsection 2; [and]
- (g) To cover the costs incurred by the Division to carry out the provisions of chapter 656A of NRS that are not covered by the civil penalties received by the Division pursuant to NRS 656A.800 [-]; and
- (h) To cover the costs of the program established pursuant to section 3.3 of this act to provide hearing aids to children who are hard of hearing.
  - [5.] 7. For the purposes of this section:
- (a) "Account" means the Account for Services for Persons With Impaired Speech or Hearing.
- <u>(b)</u> "Device for telecommunication" means a device which is used to send messages through the telephone system, including, without limitation, the wireless phone system, which visually displays or prints messages received

and which is compatible with the system of telecommunication with which it is being used.

- [(b)] (c) "Dual-party relay system" means a system whereby persons who have impaired speech or hearing, and who have been furnished with devices for telecommunication, may relay communications through third parties to persons who do not have access to such devices.
- Sec. 4. Chapter 388 of NRS is hereby amended by adding thereto the provisions set forth as sections 5 to 13, inclusive, of this act.
- Sec. 5. As used in sections 5 to 13, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 6, 7 and 8 of this act have the meanings ascribed to them in those sections.
- Sec. 6. "Individualized education program" has the meaning ascribed to it in 20 U.S.C.  $\S$  1414(d)(1)(A).
- Sec. 7. "Individualized education program team" has the meaning ascribed to it in 20 U.S.C. § 1414(d)(1)(B).
- Sec. 8. "Individualized family service plan" has the meaning ascribed to it in 20 U.S.C. § 1436.
- Sec. 9. 1. The Superintendent of Public Instruction shall establish within the Department the Advisory Committee on Language Development for Children Who Are Deaf, [or] Hard of Hearing [-], Blind or Visually Impaired.
- 2. The Superintendent shall appoint to the Committee 13 members who are the parents of pupils who are deaf, [6r] hard of hearing, blind or visually impaired, including, without limitation, pupils who are both deaf and blind, specialize in teaching or providing services to such children or perform research in a field relating to such children. The Committee must include, without limitation:
- (a) At least seven members who are deaf, forthing for visually impaired;
- (b) Members who communicate verbally using both American Sign Language and spoken English; and
  - (c) Members who communicate verbally using only spoken English.
- 3. The Superintendent of Public Instruction shall appoint a Chair of the Committee. The Committee shall meet at the call of the Chair. A majority of the members of the Committee constitutes a quorum and is required to transact any business of the Committee.
- 4. The members of the Committee serve without compensation and are not entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 5. A member of the Committee who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Committee and perform any work necessary to carry out the duties of the Committee in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the Committee to:

- (a) Make up the time he or she is absent from work to carry out his or her duties as a member of the Committee; or
  - (b) Take annual leave or compensatory time for the absence.
- Sec. 10. The Advisory Committee on Language Development for Children Who Are Deaf, [or] Hard of Hearing, Blind or Visually Impaired shall:
- 1. Recommend to the State Board criteria for use by parents or guardians to evaluate the development of language and literacy skills by children who are less than 6 years of age and are deaf, [or] hard of hearing [.], blind or visually impaired, including, without limitation, children who are both deaf and blind. The criteria must be:
- (a) Appropriate for use to evaluate the development of language and literacy skills by children who feommunicates:
- (1) Communicate using primarily spoken or written English, with or without the use of visual supplements, or American Sign Language; or
  - (2) Read using braille;
- (b) Described in terms used to describe the typical development of children, including, without limitation, children who do not have a disability, and according to the age of the child;
- (c) Aligned with the standards adopted pursuant to NRS 389.520 for English language arts and any standards adopted pursuant to that section for early childhood education; and
- (d) Aligned with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., and any other federal law applicable to the assessment of the development of children with disabilities.
- 2. Make recommendations to the State Board and, where appropriate, the Aging and Disability Services Division of the Department of Health and Human Services concerning:
  - (a) The development of criteria pursuant to section 12 of this act;
- (b) The examination of children with disabilities pursuant to NRS 388.433; and
- (c) Ways to improve the assessment of language and literacy skills by children who are deaf, [or] hard of hearing [.], blind or visually impaired, including, without limitation, children who are both deaf and blind.
- Sec. 11. 1. The State Board shall evaluate the criteria recommended by the Advisory Committee on Language Development for Children Who Are Deaf, for Hard of Hearing, Blind or Visually Impaired pursuant to section 10 of this act for use by parents or guardians to evaluate the development of language and literacy skills by children who are less than 6 years of age and are deaf, for hard of hearing following, without limitation, children who are both deaf and blind. If the State Board determines that the criteria recommended by the Committee pursuant to section 10 of this act:
- (a) Meet the requirements of that section, adopt the criteria for the purposes described in subsection 2.

- (b) Do not meet the requirements of that section, revise the criteria in a manner that meets the requirements of that section and adopt the revised criteria for the purposes described in subsection 2.
- 2. The Department shall develop a written resource for use by parents or guardians to evaluate the development of language and literacy skills by children who are less than 6 years of age and are deaf. [or] hard of hearing [-], blind or visually impaired, including, without limitation, children who are both deaf and blind. The written resource must:
- (a) Describe how to use the criteria adopted pursuant to subsection 1 to evaluate the development of language and literacy skills by children who are deaf. [or] hard of hearing [++], blind or visually impaired, including, without limitation, children who are both deaf and blind;
- (b) Be written clearly and present the criteria in a manner that is easy for parents to use;
- (c) State that parents have the right to select whether to evaluate the development of language and literacy skills by their child using American Sign Language . [or] spoken or written English, with or without the use of visual supplements [++] or braille, as applicable;
- (d) State that the resource is not a formal assessment of the development of language and literacy skills and that the observations by a parent may differ from data presented at a meeting concerning an individualized education program or individualized family service plan;
- (e) State that a parent may bring the resource to a meeting concerning an individualized education program or individualized family service plan for purposes of sharing observations concerning the development of language and literacy skills by his or her child; and
- (f) Include balanced and comprehensive information about languages, modes of communication and available services and programs for children who are deaf, [or] hard of hearing [], blind or visually impaired, including, without limitation, children who are both deaf and blind.
- 3. The Department shall disseminate the resource to parents or guardians described in subsection 2, including, without limitation, by:
- (a) Making written copies of the resource available at locations and events where such parents or guardians are likely to be present;
- (b) Posting the resource on an Internet website maintained by the Department; and
- (c) Providing written copies of the resource to the Aging and Disability Services Division of the Department of Health and Human Services for distribution to such parents or guardians who receive services from the Division.
- Sec. 12. 1. The State Board shall, after considering the recommendations made by the Advisory Committee on Language Development for Children Who Are Deaf. [or] Hard of Hearing Blind or Visually Impaired pursuant to section 10 of this act, prescribe by regulation criteria for use by school employees and providers of services to assess the development of

language and literacy skills by children who are less than 6 years of age and are deaf, [or] hard of hearing [.], blind or visually impaired, including, without limitation, children who are both deaf and blind. The criteria must:

- (a) Be based on criteria and assessments developed by persons and entities with expertise in the development of language and literacy skills by children, including, without limitation, children without a disability, who are less than 6 years of age; and
- (b) Be organized according to stages of development of language and literacy skills.
  - 2. The Department shall:
- (a) Distribute to school districts, charter schools, the Aging and Disability Services Division of the Department of Health and Human Services and other entities that provide educational services to children who are less than 6 years of age and are deaf., [or] hard of hearing, blind or visually impaired, including, without limitation, children who are both deaf and blind, a summary of the criteria prescribed pursuant to subsection 1; and
- (b) Provide to employees of the entities described in paragraph (a) training concerning the use of the criteria to assist children who are less than 6 years of age and are deaf, forthard of hearing, blind or visually impaired, including, without limitation, children who are both deaf and blind, in developing the language and literacy skills necessary for kindergarten. Such training must include, without limitation, training concerning children who communicate using spoken English and children who communicate using American Sign Language.
- Sec. 13. On or before July 31 of each year, the Department of Education, in collaboration with the Aging and Disabilities Services Division of the Department of Health and Human Services, shall compile and post on an Internet website maintained by the Department of Education a report of aggregated data comparing the development of language and literacy skills by children in this State who are less than 6 years of age and are deaf. for hard of hearing blind or visually impaired, including, without limitation, children who are both deaf and blind, with the development of such skills by such children who do not have a disability. The report must not include any personally identifiable information.
  - Sec. 14. NRS 388.437 is hereby amended to read as follows:
- 388.437 1. When developing an individualized education program for a pupil with a hearing impairment in accordance with NRS 388.419, the pupil's individualized education program team shall consider, without limitation:
- (a) The related services and program options that provide the pupil with an appropriate and equal opportunity for communication access;
  - (b) The pupil's primary communication mode;
- (c) The availability to the pupil of a sufficient number of age, cognitive, academic and language peers of similar abilities;
- (d) The availability to the pupil of adult models who are deaf or hearing impaired and who use the pupil's primary communication mode;

- (e) The availability of special education teachers, interpreters and other special education personnel who are proficient in the pupil's primary communication mode;
- (f) The provision of academic instruction, school services and direct access to all components of the educational process, including, without limitation, advanced placement courses, career and technical education courses, recess, lunch, extracurricular activities and athletic activities;
- (g) The preferences of the parent or guardian of the pupil concerning the best feasible services, placement and content of the pupil's individualized education program; and
- (h) The appropriate assistive technology necessary to provide the pupil with an appropriate and equal opportunity for communication access.
- 2. When developing an individualized education program for a pupil with a hearing or visual impairment who is less than 6 years of age including without limitation, such a pupil with both hearing and visual impairments, in accordance with NRS 388.419, the pupil's individualized education program team shall use the criteria prescribed pursuant to section 12 of this act, in addition to any methods of assessment required by federal law, to evaluate the pupil's development of language and literacy skills and to determine whether to modify the individualized education program. If the team determines that the pupil is not making adequate progress in the development of language and literacy skills, the team must include in the plan:
- (a) A detailed explanation of the reasons that the pupil is not making adequate progress; and
- (b) Recommendations for services and programs to assist the pupil's development of language and literacy skills.
- 3. When determining the best feasible instruction to be provided to the pupil in his or her primary communication mode, the pupil's individualized education program team may consider, without limitation:
  - (a) Changes in the pupil's hearing or vision;
  - (b) Development in or availability of assistive technology;
  - (c) The physical design and acoustics of the learning environment; and
  - (d) The subject matter of the instruction to be provided.
- Sec. 15. 1. The Legislative Commission shall appoint a committee to conduct an interim study concerning the feasibility of establishing a public school for pupils who are blind, visually impaired, deaf or hard of hearing. The interim study must address, without limitation, potential sources of funding for such a school.
  - 2. The committee must be composed of:
- (a) Two members of the Legislature appointed by the Majority Leader of the Senate:
- (c) One member of the Legislature appointed by the Minority Leader of the Senate; and
- (d) One member of the Legislature appointed by the Minority Leader of the Assembly.

- 3. The Legislative Commission shall appoint a Chair and a Vice Chair from among the members of the interim committee.
- 4. The interim committee shall consult with and solicit input from persons and organizations who advocate for or provide services to children who are blind, visually impaired, deaf or hard of hearing.
- 5. Any recommended legislation proposed by the interim committee must be approved by a majority of the members of the Senate and a majority of the members of the Assembly appointed to the interim committee.
- 6. The Legislative Commission shall submit a report of the results of the study and any recommendations for legislation, to the Director of the Legislative Counsel Bureau for transmittal to the 81st Session of the Nevada Legislature.
- Sec. 16. 1. The Department of Education shall compile sets of criteria for evaluating the development of language and literacy skills by children who are less than 6 years of age and are deaf. [or] hard of hearing blind or visually impaired, including, without limitation, children who are both deaf and blind, developed by persons and entities with expertise in the development of language and literacy skills by children, including, without limitation, children without a disability. On or before March 1, 2020, the Department shall provide those sets of criteria to the Advisory Committee on Language Development for Children Who Are Deaf. [or] Hard of Hearing Blind or Visually Impaired established pursuant to section 9 of this act.
- 2. On or before June 1, 2020, the Advisory Committee on Language Development for Children Who Are Deaf\_, [or] Hard of Hearing , Blind or Visually Impaired shall recommend criteria for:
- (a) Use by parents or guardians to evaluate the development of language and literacy skills by children who are less than 6 years of age and are deaf. For hard of hearing, blind or visually impaired, including, without limitation, children who are both deaf and blind, to the State Board of Education for adoption pursuant to section 11 of this act.
- (b) Use by school employees and providers of services to evaluate the development of language and literacy skills by children who are less than 6 years of age and are deaf. [or] hard of hearing blind or visually impaired, including, without limitation, children who are both deaf and blind, to the State Board of Education for adoption pursuant to section 12 of this act.
  - 3. On or before June 30, 2020, the Department of Education shall:
  - (a) Adopt the criteria described in subsection 2; and
- (b) Notify the Advisory Committee on Language Development for Children Who Are Deaf., [or] Hard of Hearing, Blind or Visually Impaired of any revisions made to the criteria recommended by the Committee pursuant to paragraph (a) of subsection 2 before adoption.
- Sec. 17. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

- Sec. 18. 1. This section and sections 1, 2, 4 to 13, inclusive, 15, 16 and 17 of this act become effective upon passage and approval.
  - 2. Sections 3.2, 3.3, 3.5 and 3.8 of this act become effective:
- (a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of those sections; and
- (b) On January 1, 2020, for all other purposes.
- 3. Sections 3 and 14 of this act become effective on July 1, 2020.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 164 to Senate Bill No. 203 eliminates provisions related to the Account to Provide Programs and Services to Children Who Are Blind, Visually Impaired, Deaf or Hard of Hearing; authorizes the Director of the Department of Health and Human Services to establish a program to negotiate discounts and rebates for hearing devices and related costs for children in Nevada who are deaf or hard of hearing; requires the establishment of a program whereby any child under 13 years of age who is hard of hearing and meets program qualifications may apply to obtain a hearing aid at no charge to the child, and expands certain provisions of the bill to apply to children who are blind or visually impaired in addition to children who are deaf or hard of hearing.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 243.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 445.

SUMMARY—Revises provisions relating to prevailing wages. (BDR 28-768)

AN ACT relating to public construction; revising the procedure for determining the prevailing rate of wages; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires that mechanics and workers employed on certain public construction projects be paid at least the wage prevailing in the county in which the project is located for the type of work that the mechanic or worker performs. (NRS 338.020) The prevailing rate of such wages for each county is determined by the Labor Commissioner pursuant to a procedure prescribed in existing [law.] statute and regulation. This procedure requires the Labor Commissioner to annually survey contractors who have performed work in a county and base his or her determination of the prevailing wage for each craft or type of work on the results of this survey. (NRS 338.030) Based on responses to this survey, existing regulations require the Labor Commissioner to determine the prevailing rate of wages paid to each class of workers who perform a craft or type of work to be the rate of wages paid to a class of workers if the rate of wages is the same for the majority of the total hours worked by

such workers in the locality on construction similar to the proposed construction. Existing regulations also prescribe the procedure for determining the prevailing wage for a craft or type of work where there is no such majority or if no similar construction has been performed within the region in the past year. (NAC 338.010)

Section 3 of this bill changes the geographical area for which the prevailing rate of wages is determined from a county to a region. Section 1 of this bill [requires the Labor Commissioner to establish not more than] establishes four such regions [+]: (1) the Washoe Prevailing Wage Region; (2) the Northern Rural Prevailing Wage Region; (3) the Clark Prevailing Wage Region; and (4) the Southern Rural Prevailing Wage Region. Section 2 of this bill makes a conforming change. Thus, mechanics and workers employed on public construction projects on which prevailing wages are required to be paid must be paid at least the wage prevailing in the region in which the project is located for their craft or type of work.

Section 2 also revises the procedure for determining the prevailing rate of wages for each region by: (1) reducing the frequency by which the Labor Commissioner is required to survey contractors from annually to biennially; and (2) codifying in statute certain requirements currently prescribed in regulation concerning this determination. Section 2 also requires the Labor Commissioner to include in his or her determination of the prevailing rate of wages any wage and benefit adjustments in the collective bargaining agreement for a class of workers who perform the class or type of work if the Labor Commissioner determines that the prevailing rate of wages for a class or type of workers who perform the craft or type of work is a wage which has been collectively bargained. Section 2 requires the Labor Commissioner to issue a determination of the prevailing rate of wages on October 1 of the year in which the survey was conducted and makes this rate effective for 2 years unless the rate is adjusted by the Labor Commissioner. Finally, section 2 requires the Labor Commissioner to adjust the prevailing rate of wages on October 1 of each odd-numbered year and reissue the rate if: (1) the collective bargaining agreement provides for such an adjustment; or (2) any change in the Consumer Price Index for All Urban Consumers, West Region (All Items) has occurred since October 1 of the previous year.

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

Section 1. Chapter 338 of NRS is hereby amended by adding thereto a new section to read as follows:

[ 1. The Labor Commissioner shall divide the State into not more than four regions for the purpose of determining the prevailing wage for each craft or type of work within those regions pursuant to NRS 338.030.

2. When establishing the regions pursuant to subsection 1, the Labor Commissioner shall, to the extent practicable, ensure that the area within the boundaries of each such region is substantially similar with regard to:

- (b) The demographic characteristics of the communities within the area.
- 3. The Labor Commissioner shall review the regions established pursuant to subsection 1 periodically for compliance with the requirements of subsection 2 and, if necessary to comply with subsection 2, shall revise those regions.]

For the purpose of determining the prevailing rate of wages pursuant to NRS 338.030, four prevailing wage regions are hereby established in this State as follows:

- 1. The Washoe Prevailing Wage Region consisting of Washoe County;
- 2. The Northern Rural Prevailing Wage Region consisting of Carson City and the counties of Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Mineral, Storey, Pershing and White Pine;
- 3. The Clark Prevailing Wage Region consisting of Clark County; and
- 4. The Southern Rural Prevailing Wage Region consisting of the counties of Esmeralda, Lincoln and Nye.
  - Sec. 2. NRS 338.020 is hereby amended to read as follows:
- 338.020 1. Every contract to which a public body of this State is a party, requiring the employment of skilled mechanics, skilled workers, semiskilled mechanics, semiskilled workers or unskilled labor in the performance of public work, must contain in express terms the hourly and daily rate of wages to be paid each of the classes of mechanics and workers. The hourly and daily rate of wages must:
- (a) Not be less than the rate of such wages then prevailing in the [county] *region* in which the public work is located, which prevailing rate of wages must have been determined in the manner provided in NRS 338.030; and
- (b) Be posted on the site of the public work in a place generally visible to the workers.
- 2. When public work is performed by day labor, the prevailing wage for each class of mechanics and workers so employed applies and must be stated clearly to such mechanics and workers when employed.
- 3. Except as otherwise provided in subsection 4, a contractor or subcontractor shall pay to a mechanic or worker employed by the contractor or subcontractor on the public work not less than one and one-half times the prevailing rate of wages applicable to the class of the mechanic or worker for each hour the mechanic or worker works on the public work in excess of:
- (a) Forty hours in any scheduled week of work by the mechanic or worker for the contractor or subcontractor, including, without limitation, hours worked for the contractor or subcontractor on work other than the public work; or
- (b) Eight hours in any workday that the mechanic or worker was employed by the contractor or subcontractor, including, without limitation, hours worked for the contractor or subcontractor on work other than the public work, unless by mutual agreement the mechanic or worker works a scheduled 10 hours per day for 4 calendar days within any scheduled week of work.
- 4. The provisions of subsection 3 do not apply to a mechanic or worker who is covered by a collective bargaining agreement that provides for the

payment of wages at not less than one and one-half times the rate of wages set forth in the collective bargaining agreement for work in excess of:

- (a) Forty hours in any scheduled week of work; or
- (b) Eight hours in any workday unless the collective bargaining agreement provides that the mechanic or worker shall work a scheduled 10 hours per day for 4 calendar days within any scheduled week of work.
- 5. The prevailing wage and any wages paid for overtime pursuant to subsection 3 or 4 to each class of mechanics or workers must be in accordance with the jurisdictional classes recognized in the *[locality] region* where the work is performed.
- 6. Nothing in this section prevents an employer who is signatory to a collective bargaining agreement from assigning such work in accordance with established practice.
  - Sec. 3. NRS 338.030 is hereby amended to read as follows:
- 338.030 1. The public body awarding any contract for public work, or otherwise undertaking any public work, shall ascertain from the Labor Commissioner the prevailing wage in the [county] region established pursuant to section 1 of this act in which the public work is to be performed for each craft or type of work.
- 2. The prevailing wage in each [county, including Carson City,] such region must be [established] determined as follows:
- (a) The Labor Commissioner shall, [annually,] <u>in each even-numbered</u> year, survey contractors who have performed work in the [county.] region.
- (b) Based on the survey conducted pursuant to paragraph (a), where the rate of wages is the same for [more than 50 percent] a majority of the total hours worked by each craft or type of work in that [county] region on construction similar to the proposed construction, that rate will be determined as the prevailing wage.
- (c) Where <u>there is</u> no such <u>{rate can be determined,}</u> <u>majority</u>, the prevailing wage for a craft or type of work will be determined as <u>{the}</u>:
- (1) The rate of wages paid for the greater number of hours worked by the class of workers who perform the craft or type of work if that number constitutes 40 percent or more of the total number of hours worked by those workers; or
- (2) <u>The</u> average rate of wages paid per hour based on the number of hours worked per rate, to <u>fthat craft or type</u>] <u>a class</u> of <del>[work.</del>
- —(d) The Labor Commissioner shall determine the prevailing wage to be 90 percent of the rate determined pursuant to paragraphs (a), (b) and (c) for:
- (1) Any contract for a public work or any other construction, alteration, repair, remodeling or reconstruction of an improvement or property to which a school district or the Nevada System of Higher Education is a party; and
- (2) A public work of, or constructed by, a school district or the Nevada System of Higher Education, or any other construction, alteration, repair, remodeling or reconstruction of an improvement or property of or constructed by a school district or the Nevada System of Higher Education.] workers who

- perform the craft or type of work if the number of hours paid at the same rate is less than 40 percent of the total number of hours worked by those workers.

  (d) If no similar construction has been performed within the region in the immediately preceding 2 years, the Labor Commissioner shall consider wage
- rates paid on the nearest similar project of construction in this State.

  3. If the Labor Commissioner determines pursuant to subsection 2 that the prevailing rate of wages for a class of workers who perform the craft or type of work is a wage which has been collectively bargained, the Labor Commissioner shall include in his or her determination of that prevailing wage

any wage and benefit adjustments in the collective bargaining agreement.

- 4. Within 30 days after the determination is issued:
- (a) A public body or person entitled under subsection  $\frac{\{6\}}{2}$  to be heard may submit an objection to the Labor Commissioner with evidence to substantiate that a different wage prevails; and
- (b) Any person may submit information to the Labor Commissioner that would support a change in the prevailing wage of a craft or type of work by 50 cents or more per hour in any [county.] region.
- [4.] 5. The Labor Commissioner shall hold a hearing in the [locality] *region* in which the work is to be executed if the Labor Commissioner:
  - (a) Is in doubt as to the prevailing wage; or
  - (b) Receives an objection or information pursuant to subsection 3.
- → The Labor Commissioner may hold only one hearing a year on the prevailing wage of any craft or type of work in any [county.] region.
- [5.] 6. Notice of the hearing must be advertised in a newspaper [nearest to the locality of] in the region in which the work is to be executed once a week for 2 weeks before the time of the hearing.
- [6.] 7. At the hearing, any public body, the crafts affiliated with the State Federation of Labor or other recognized national labor organizations, and the contractors of the [locality] region or their representatives must be heard. From the evidence presented, the Labor Commissioner shall determine the prevailing wage.
  - [7.] 8. The wages so determined must be [filed]:
- (a) Issued by the Labor Commissioner on October 1 of the year in which the survey was conducted and, except as otherwise provided in subsection 9, remain effective for 2 years after that date; and [must be]
- <u>(b) Made</u> available <u>by the Labor Commissioner</u> to any public body which awards a contract for any public work.
- [8.] 9. On October 1 of each odd-numbered year, the Labor Commissioner shall:
- (a) Adjust the prevailing rate of wages:
- (1) If the Labor Commissioner determines that the prevailing rate of wages for a class of workers who perform the craft or type of work is a wage which has been collectively bargained pursuant to subsection 3, in accordance with the signed collective bargaining agreement that is on file with the Labor

Commissioner, if the collective bargaining agreement provides for such an adjustment on or before October 1 of that odd-numbered year; or

- (2) In accordance with the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Labor Commissioner, if any change in that index has occurred since October 1 of the previous year; and
- (b) Reissue the prevailing rate of wages for each class of workers who perform the craft or type of work, including any rates required to be adjusted pursuant to paragraph (a).
- <u>10.</u> Nothing contained in NRS 338.020 to 338.090, inclusive, *fand* rection 1 of this act] may be construed to authorize the fixing of any wage below any rate which may now or hereafter be established as a minimum wage for any person employed upon any public work, or employed by any officer or agent of any public body.
- Sec. 4. [The Labor Commissioner shall establish the regions required by section 1 of this act before July 1, 2019.] (Deleted by amendment.)
- Sec. 5. The provisions of NRS 338.030, as amended by section 3 of this act, apply to any rate of prevailing wages determined by the Labor Commissioner pursuant to that section on or after July 1, 2019.
- Sec. 6. The amendatory provisions of this act do not apply to any contract to which the provisions of NRS 338.020 to 338.090, inclusive, apply, that is awarded before July 1, 2019.
- Sec. 7. [1. This section and sections 1 and 4 of this act become effective upon passage and approval.
- 2. Sections 2, 3, 5 and 6 of this] This act [become] becomes effective on July 1, 2019.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 445 to Senate Bill No. 243 relates to a procedure for determining prevailing wage. Among various provisions, the amendment creates four regions, instead of requiring the Labor Commissioner to do so, for the purpose of determining the prevailing rate of wages, as follows: Washoe Prevailing Wage Region consisting of Washoe County; Northern Nevada Prevailing Wage Region consisting of 12 of the 17 counties; Clark Prevailing Wage Region consisting of Clark County, and Southern Nevada Prevailing Wage Region consisting of 3 counties. It also provides that the Labor Commissioner is only required to conduct the prevailing-wage surveys in each even-numbered year, instead of annually. I encourage your support.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 266.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 209.

SUMMARY—Provides for the establishment of [the Mental Health First Aid Program.] a program to provide certain training relating to behavioral health. (BDR 39-550)

AN ACT relating to mental health; providing for the establishment of <a href="#">[the Mental Health First Aid Program;]</a> a program to provide training concerning the identification of persons who have certain behavioral health conditions; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires the Division of Public and Behavioral Health of the Department of Health and Human Services to operate certain facilities and programs for the provision of mental health services. (NRS 433.233-433.374) This bill requires the Division to establish [the Mental Health First Aid Program] a program to provide training concerning the identification and assistance of persons who have a mental illness or substance use disorder or who may be experiencing a mental health or substance abuse crisis. This bill requires a person who provides such training to have successfully completed a training program for mental health first aid instructors. This bill additionally requires the Division to collaborate with interested persons and groups when developing the [Mental Health First Aid Program] program and inform interested persons and groups concerning the availability and benefits of training under the [Program.] program. This bill also requires the Division to annually submit to the Governor and the Legislature a report containing certain information about the [Program.] program.

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

Section 1. Chapter 433 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. To the extent that money is available for that purpose, the Division shall establish [the Mental Health First Aid Program] a program to provide training concerning the identification and assistance of persons who have a mental illness or substance use disorder or who may be experiencing a mental health or substance abuse crisis [+] which may include, without limitation, training provided by persons who have completed a training program for mental health first aid instructors offered by Mental Health First Aid USA or its successor organization. The training must include, without limitation:
  - (a) Recognizing the symptoms of a mental illness or substance use disorder;
- (b) Providing initial assistance to persons experiencing a mental health or substance abuse crisis;
- (c) Guiding persons requiring assistance with mental health issues, including, without limitation, persons experiencing a mental health or substance abuse crisis, to professionals qualified to provide such assistance;
- (d) Comforting a person experiencing a mental health or substance abuse crisis;

- (e) Helping a person with a mental illness or substance use disorder avoid a mental health or substance abuse crisis; and
  - (f) Promoting healing, recovery and good mental health.
- 2. A person who provides training through the [Mental Health First Aid Program] program must have successfully completed a training program for mental health first aid instructors offered by Mental Health First Aid USA or its successor organization or [f, if none, by] a similar program offered or approved by the Division.
  - 3. The Division shall:
- (a) Consult with interested persons, including, without limitation, legislators, representatives of governmental and private entities that provide or arrange for the provision of mental health services, public safety agencies, the Department of Education, school districts, charter schools, school employees, community-based organizations and members of the public, when developing the [Mental Health First Aid Program;] program;
- (b) Inform the public and interested groups, including, without limitation, providers of emergency medical services, law enforcement officers, teachers, school administrators and providers of primary health care services, concerning the availability and benefits of training through the *Health First Aid Program;* program;
- (c) Employ persons who meet the requirements of subsection 2 to provide training through the [Mental Health First Aid Program;] program; and
  - (d) On or before January 1 of each year:
- (1) Compile a report that includes, without limitation, the number of persons who provide training through the [Mental Health First Aid Program,] program, the number of training sessions provided by such persons, the groups of persons to whom such training was provided and any other information determined by the Division to be relevant to evaluating the effectiveness of the [Mental Health First Aid Program;] program; and
- (2) Submit the report to the Governor and the Director of the Legislative Counsel Bureau for transmittal to:
- (I) In even-numbered years, the Legislative Committee on Health Care; and
  - (II) In odd-numbered years, the next regular session of the Legislature.
- 4. The Division may apply for and accept gifts, grants and donations to carry out the provisions of this section.
  - 5. As used in this section, "public safety agency" means:
  - (a) A fire-fighting agency; or
  - (b) A law enforcement agency as defined in NRS 277.035.
- Sec. 2. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
  - Sec. 3. This act becomes effective on July 1, 2019. Senator Ratti moved the adoption of the amendment.

## Remarks by Senator Ratti.

Amendment No. 209 to Senate Bill No. 266 eliminates the "Mental Health First Aid Program" and instead requires the Division of Public and Behavioral Health to establish a program to provide training concerning the identification and assistance of persons who have a mental illness or substance-use disorder or who may be experiencing a mental-health or substance-abuse crisis, which may include, without limitation, the Mental Health First Aid Program.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 293.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 274.

SUMMARY—Makes various changes relating to children who are victims of commercial sexual exploitation. (BDR 38-517)

AN ACT relating to protection of children; [establishing] requiring the appointment of a coordinator of services for commercially sexually exploited children [endorsement that may be obtained by a provider of foster care; prescribing requirements for obtaining and renewing such an endorsement; prohibiting the arrest of a commercially sexually exploited child in certain circumstances; requiring a determination about whether such a child is in need of protection; requiring an agency which provides child welfare services to establish and carry out a plan to provide comprehensive, individualized services to commercially sexually exploited children;] : requiring the coordinator to develop a plan to establish the infrastructure to provide treatment, housing and services to such children and perform certain other duties relating to the provision of housing and services for such children; requiring a juvenile court and certain other entities in the juvenile justice system to transfer a commercially sexually exploited child to the child welfare system in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

—[This bill addresses commercially sexually exploited children. Section 9 of this bill defines the term "commercially sexually exploited child" as a child who is subjected to sex trafficking, sexual abuse or sexual exploitation for the financial benefit of any person or in exchange for anything of value.]

Existing law provides for the licensure of foster homes. (NRS 424.020-424.090) Section [5 of this bill allows a provider of foster care to apply for and obtain a commercially sexually exploited child endorsement for the license to operate a foster home, which authorizes the holder to provide a therapeutic environment to address the needs of commercially sexually exploited children and to coordinate with the agency which provides child

welfare services for the provision of mental health and other services needed to assist commercially sexually exploited children. Section 5 sets forth the requirements for obtaining and renewing such an endorsement, including an annual inspection of the foster home to which the endorsement applies and completion of training provided by the licensing authority.

— Section 6 of this bill requires each licensing authority to cooperate with other agencies to recruit and encourage providers of foster care to apply for a commercially sexually exploited children endorsement. Section 6 also requires the licensing authority to provide intensive training for providers of foster care that wish to obtain an endorsement. Section 6 also authorizes the Division of Child and Family Services of the Department of Health and Human Services to adopt regulations concerning the requirement for a commercially sexually exploited children endorsement. Section 7 of this act makes a conforming change.

committed an act that would be a crime if committed by an adult, so long as the act was not violent. Instead, a determination must be made for such a child about whether the child is in need of protection and should be placed in protective custody. Section 12 additionally requires an agency which provides child welfare services that determines that such a child is in need of protection and takes the child into protective custody to take certain actions including placing the child in a foster home that has a commercially sexually exploited children endorsement, if available, and immediately assigning a caseworker to coordinate services for the child. Section 13 of this bill requires each agency which provides child welfare services to establish and implement a plan to provide comprehensive, individualized services to commercially sexually exploited children. Sections 14 and 15 of this bill make conforming changes. 1 of this bill requires the Administrator of the Division of Child and Family Services of the Department of Health and Human Services to appoint a coordinator of services for commercially sexually exploited children. Section 1 requires the coordinator to: (1) assess the current and anticipated needs of commercially sexually exploited children in this State; (2) evaluate any incentives necessary to recruit providers of housing for such children; and (3) develop a plan to establish the infrastructure to provide treatment, housing and services to such children. On or before October 1, 2020, section 16.5 requires the coordinator to submit to the Legislative Committee on Child Welfare and Juvenile Justice a formal proposal to establish the infrastructure described in the plan.

Section 16 of this bill prohibits a juvenile court which finds , on or after July 1, 2022, that a commercially sexually exploited child committed a nonviolent act that would be a crime if committed by an adult from adjudicating the child as a delinquent child or a child in need of supervision based on that act. Instead, the court is required to transfer the child to an agency

which provides child welfare services for a determination whether the child is in need of protection and services. Section 16 further requires a juvenile justice agency that has reasonable cause to believe that a child in its custody is or has been a commercially sexually exploited child to transfer the child to the custody of an agency which provides child welfare services.

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

- Section 1. Chapter 424 of NRS is hereby amended by adding thereto [the provisions set forth as sections 2 to 6, inclusive, of this act.] a new section to read as follows:
- 1. The Administrator of the Division shall appoint a coordinator of services for commercially sexually exploited children. The coordinator is an employee of the Division who serves at the pleasure of the Administrator and is in the unclassified service of the State.
- 2. The coordinator of services for commercially sexually exploited children shall:
- (a) Assess existing gaps in services for commercially sexually exploited children;
- (b) Assess the needs for services and housing of commercially sexually exploited children in this State and the anticipated needs for services and housing of such children in the future, including, without limitation, the range of services and housing that are currently needed and will be required to meet anticipated needs;
- (c) Evaluate any incentives necessary to recruit providers of housing for commercially sexually exploited children that meet the criteria prescribed in paragraph (a) of subsection 3; and
- (d) Develop a plan to establish the infrastructure to provide treatment, housing and services to commercially sexually exploited children that meets the requirements of subsection 3 and update the plan as necessary.
- 3. The plan developed pursuant to paragraph (d) of subsection 2 must include, without limitation, plans to:
- (a) Provide specialized housing to meet the needs of each commercially sexually exploited child in this State. The majority of such housing must consist of foster homes, and the remainder of such housing must consist of other evidence-based forms of housing for commercially sexually exploited children. All housing provided pursuant to this paragraph must
- (1) To the extent appropriate, allow residents freedom of movement inside and outside the house;
  - (2) Be secured from intrusion;
  - (3) To the extent appropriate, allow residents privacy and autonomy
- (4) Provide a therapeutic environment to address the needs of commercially sexually exploited children;
- (5) Coordinate with persons and entities that provide services to residents; and

- (6) Be operated by persons who have training concerning the specific needs of commercially sexually exploited children and practices for interacting with victims of trauma.
- (b) Recruit providers of housing that meet the requirements of paragraph (a).
- (c) Provide services to providers of housing for commercially sexually exploited children designed to increase the success of placements of such children.
- (d) Provide legal representation to commercially sexually exploited children.
- (e) Ensure that any secured placement for commercially sexually exploited children:
- (1) Provides therapeutic treatment to assist the child in safely transitioning to a home-based placement; and
- (2) Is temporary, subject to judicial review not later than 72 hours after the initiation of the placement and utilized only when necessary to:
- (I) Return the child to a parent or legal guardian or to another jurisdiction; or
- (II) Protect the child from further victimization or threats by a perpetrator of commercial sexual exploitation or a person acting on behalf of such a perpetrator.
- 4. As used in this section:
- (a) "Commercially sexually exploited child" means any child who is sex trafficked in violation of NRS 201.300, a victim of sexual abuse or sexually exploited for the financial benefit of any person or in exchange for anything of value, including, without limitation, monetary or nonmonetary benefits given or received by any person.
- (b) "Sexual abuse" has the meaning ascribed to it in NRS 432B.100.
- (c) "Sexually exploited" has the meaning ascribed to it in NRS 432B.110.
- Sec. 2. [As used in sections 2 to 6, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)
- Sec. 3. ["Commercially sexually exploited child" has the meaning ascribed to it in section 9 of this act.] (Deleted by amendment.)
- Sec. 4. ["Commercially sexually exploited children endorsement" means a commercially sexually exploited children endorsement obtained by a provider of foster care pursuant to section 5 of this act.] (Deleted by amendment.)
- Sec. 5. [1. A provider of foster care may apply to a licensing authority for a commercially sexually exploited children endorsement to allow the holder of the endorsement to:
- (a) Provide a therapeutic environment to address the needs of commercially sexually exploited children; and

- (b) Coordinate with the agency which provides child welfare services for the provision of mental health and other services needed to assist any commercially sexually exploited child who is in the care of the provider.
- 2. The application for a commercially sexually exploited children endorsement and the application for the renewal of such an endorsement must be in a form prescribed by the licensing authority.
- 3. Before issuing or renewing a commercially sexually exploited children endorsement, the licensing authority must inspect the foster home of the applicant to determine whether the foster home is suitable to care for commercially sexually exploited children and to provide the services described in subsection 1.
- 4. A licensing authority shall issue a commercially sexually exploited children endorsement or renew such an endorsement if:
- (a) The applicant completes the application:
- -(b) Any foster home of the applicant to which the endorsement will apply has been inspected and determined suitable as set forth in subsection 3;
- (e) The applicant has completed the training provided by the licensing authority pursuant to section 6 of this act and any other training required by regulation:
- (d) The licensing authority determines that the applicant will comply with the requirements of sections 2 to 6, inclusive, of this act; and
- (e) The applicant satisfies any other requirements set forth in regulations adopted by the Division pursuant to section 6 of this act.
- 5. If a licensing authority finds that an applicant does not meet the requirements for a sexually exploited children endorsement, the licensing authority must notify the applicant in writing with the reasons for the denial. An applicant may reapply for the endorsement.
- 6. A sexually exploited children endorsement must identify the provider of foster eare to whom it is issued and the foster home to which it applies and indicate the period for which the endorsement is valid.] (Deleted by amendment.)
- Sec. 6. [1. Each licensing authority shall work with local agencies, service providers and other governmental entities to recruit and encourage providers of foster care to apply for a commercially sexually exploited children endorsement.
- 2. A licensing authority shall provide intensive training for providers of foster care that wish to obtain a commercially sexually exploited children endorsement. Such training must include, without limitation, training concerning the special needs of commercially sexually exploited children, the effects of trauma and sexual exploitation on children and the manner in which to address those issues using approaches that are based on encouraging strength and which consider the trauma that has been experienced by the children.
- -3. The Division may, in consultation with each agency which provides child welfare services, adopt any regulations necessary to carry out the

provisions of sections 2 to 6, inclusive, of this act. Such regulations may include, without limitation, the amount of required training and any additional requirements to obtain a commercially sexually exploited children endorsement.] (Deleted by amendment.)

- Sec. 7. [NRS 424.090 is hereby amended to read as follows:
- —424.090—1. The provisions of NRS 424.020 to 424.090, inclusive, and sections 2 to 6, inclusive, of this act do not apply to homes in which:
- (a) Care is provided only for a neighbor's or friend's child on an irregular or occasional basis for a brief period, not to exceed 90 days.
- (b) Care is provided by the legal guardian.
- (c) Care is provided for an exchange student.
- (d) Care is provided to enable a child to take advantage of educational facilities that are not available in his or her home community.
- (e) Any child or children are received, eared for and maintained pending completion of proceedings for adoption of such child or children, except as otherwise provided in regulations adopted by the Division.
- (f) Except as otherwise provided in regulations adopted by the Division, eare is voluntarily provided to a minor child who is related to the earegiver by blood, adoption or marriage.
- (g) Care is provided to a minor child who is in the custody of an agency which provides child welfare services pursuant to chapter 432B of NRS or a juvenile court pursuant to title 5 of NRS if:
- (1) The caregiver is related to the child within the fifth degree of consanguinity or a fictive kin; and
- (2) The caregiver is not licensed pursuant to the provisions of NRS 424.020 to 424.090, inclusive [.], and sections 2 to 6, inclusive, of this act.
- 2. As used in this section, "fictive kin" means a person who is not related by blood to a child but has a significant emotional and positive relationship with the child.] (Deleted by amendment.)
- Sec. 8. [Chapter 432B of NRS is hereby amended by adding thereto the provisions set forth as sections 9 to 13, inclusive, of this act.] (Deleted by amendment.)
- Sec. 9. ["Commercially sexually exploited child" means any child who is sex trafficked in violation of NRS 201.300, sexually abused or sexually exploited for the financial benefit of any person or in exchange for anything of value, including, without limitation, monetary or nonmonetary benefits given or received by any person. I (Deleted by amendment.)
- Sec. 10. ["Sexual abuse" has the meaning ascribed to it in NRS-432B.100.] (Deleted by amendment.)
- Sec. 11. ["Sexually exploited" has the meaning ascribed to it in NRS 432B.110.] (Deleted by amendment.)
- Sec. 12. [1. If an agent or officer of a law enforcement agency, an officer of the local juvenile probation department or the local department of juvenile services, or a designee of an agency which provides child welfare

services has reasonable cause to believe that a child is a commercially sexually exploited child, the child must not be arrested or taken to a juvenile detention facility or other facility within the juvenile justice system regardless of whether the child may have committed an act that would be a crime if committed by an adult, so long as any such act was not violent.

- 2. A determination must be made pursuant to NRS 432B.330 whether a child described in subsection 1 is in need of protection and should be taken into protective custody in accordance with the provisions of NRS 432B.390. If the child is taken into protective custody and the agency which provides child welfare services has reasonable cause to believe that the child is or may have been a commercially sexually exploited child:
- (a) If the child was taken from a person other than the parent or guardian of the child, the agency shall, as soon as practicable, attempt to identify and notify any parent or guardian of the child of the hearing required by NRS 432B.470:
- -(b) If the child is placed with someone other than the parent or guardian of the child, the child must be placed with a provider of foster care that has a commercially sexually exploited children endorsement, if available, or another home or placement that is capable of providing mental health services, counseling or other specialized services that may be necessary or appropriate for the child; and
- (e) The agency which provides child welfare services shall immediately assign a caseworker to coordinate with local service providers and the Division to ensure that services are provided to the child which are designed to address the immediate and long term needs of the child for rehabilitation and treatment, including, without limitation, services to address any medical, psychiatric or psychological issues of the child and to address any safety and housing needs of the child.
- -3. The caseworker assigned pursuant to subsection 2 may coordinate for the child to receive, as necessary:
- (a) Medical and mental health services.
- (b) Substance abuse screening and treatment.
- (c) Counseling for the child and his or her family.
- (d) Treatment and intervention for sexual assault.
- (c) Education tailored to the needs of the child.
- (f) Job and life skills training.
- (g) Mentoring.
- (h) Individualized services based on the trauma endured by the child, as determined through comprehensive screening assessments of the service needs of the child.
- (i) Legal and immigration services.
- (i) Victim compensation.
- (k) Services and staff that are available 24 hours a day.] (Deleted by amendment.)

- Sec. 13. [I. Each agency which provides child welfare services shall establish and earry out a plan to provide comprehensive, individualized services to address the rehabilitation and treatment needs of commercially sexually exploited children through the child welfare system.
- 2. The plan must include coordinating with state and local law enforcement agencies, state agencies and service providers to:
- -(a) Identify commercially sexually exploited children who are eligible to receive services; and
- (b) Provide such children with access to appropriate services.] (Deleted by amendment.)
  - Sec. 14. [NRS 432B.010 is hereby amended to read as follows:
- 432B.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 432B.020 to 432B.110, inclusive, and sections 9, 10 and 11 of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)
- Sec. 15. [NRS 432B.390 is hereby amended to read as follows:
- —432B.390—1.—An agent or officer of a law enforcement agency, an officer of the local juvenile probation department or the local department of juvenile services, or a designee of an agency which provides child welfare services:
- (a) May place a child in protective custody without the consent of the person responsible for the child's welfare if the agent, officer or designee has reasonable cause to believe that immediate action is necessary to protect the child from injury, abuse or neglect.
- (b) Shall place a child in protective custody upon the death of a parent of the child, without the consent of the person responsible for the welfare of the child, if the agent, officer or designee has reasonable cause to believe that the death of the parent of the child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018.
- 2. When an agency which provides child welfare services receives a report pursuant to subsection 2 of NRS 432B.630, a designee of the agency which provides child welfare services shall immediately place the child in protective custody.
- 3. If there is reasonable cause to believe that the death of a parent of a child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018, a protective custody hearing must be held pursuant to NRS 432B.470, whether the child was placed in protective custody or with a relative. If an agency other than an agency which provides child welfare services becomes aware that there is reasonable cause to believe that the death of a parent of a child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018, that agency shall immediately notify the agency which provides child welfare services and a protective custody hearing must be scheduled.
- 4. An agency which provides child welfare services shall request the assistance of a law enforcement agency in the removal of a child if the agency

has reasonable cause to believe that the child or the person placing the child in protective custody may be threatened with harm.

- 5. Before taking a child for placement in protective custody, the person taking the child shall show his or her identification to any person who is responsible for the child and is present at the time the child is taken. If a person who is responsible for the child is not present at the time the child is taken, the person taking the child shall show his or her identification to any other person upon request. The identification required by this subsection must be a single card that contains a photograph of the person taking the child and identifies the person as a person authorized pursuant to this section to place a child in protective custody.
- 6. A child placed in protective custody pending an investigation and a hearing held pursuant to NRS 432B.470 must be placed, except as otherwise provided in NRS 432B.3905 [,] and section 12 of this act, in the following order of priority:
- (a) In a hospital, if the child needs hospitalization.
- (b) With a person who is related within the fifth degree of consanguinity or a fictive kin, and who is suitable and able to provide proper care and guidance for the child, regardless of whether the relative or fictive kin resides within this State.
- (e) In a foster home that is licensed pursuant to chapter 424 of NRS.
- (d) In any other licensed shelter that provides care to such children.
- 7. Whenever possible, a child placed pursuant to subsection 6 must be placed together with any siblings of the child. Such a child must not be placed in a jail or other place for detention, incarceration or residential care of persons convicted of a crime or children charged with delinquent acts.
- 8. A person placing a child in protective custody pursuant to subsection 1 shall:
- (a) Immediately take steps to protect all other children remaining in the home or facility, if necessary;
- (b) Immediately make a reasonable effort to inform the person responsible for the child's welfare that the child has been placed in protective custody; and

  (c) As soon as practicable, inform the agency which provides child welfare services and the appropriate law enforcement agency, except that if the placement violates the provisions of NRS 432B.3905, the person shall immediately provide such notification.
- 9. If a child is placed with any person who resides outside this State, the placement must be in accordance with NRS 127.330.
- 10. As used in this section, "fictive kin" means a person who is not related by blood to a child but who has a significant emotional and positive relationship with the child.] (Deleted by amendment.)
- Sec. 16. Chapter 62C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. If a court finds that a child, while a commercially sexually exploited child, committed a nonviolent act that would be a crime if committed by an

adult the court shall not adjudicate the child as a delinquent child or a child in need of supervision based on that act. Upon such a finding, the court shall refer the child to an agency which provides child welfare services for a determination of whether the child is in need of protection and services related to the commercial sexual exploitation.

- 2. A juvenile justice agency that has reasonable cause to believe that a child in its custody is or has been a commercially sexually exploited child shall request the court to transfer the child to the custody of an agency which provides child welfare services.
  - 3. As used in this section:
- (a) "Commercially sexually exploited child" has the meaning ascribed to it in section  $\frac{\{9\}}{1}$  of this act.
- (b) "Juvenile justice agency" means the Youth Parole Bureau or a director of juvenile services.
- Sec. 16.5. 1. As soon as practicable after the effective date of this act, the Administrator of the Division of Child and Family Services of the Department of Health and Human Services shall appoint the coordinator of services for commercially sexually exploited children as required pursuant to section 1 of this act.
- 2. On or before October 1, 2020, the coordinator of services for commercially sexually exploited children appointed pursuant to subsection 1 shall submit to the Legislative Committee on Child Welfare and Juvenile Justice a formal proposal to carry out the plan to establish infrastructure to provide treatment and services to commercially sexually exploited children developed pursuant to section 1 of this act.
- Sec. 17. [The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.] (Deleted by amendment.)
- Sec. 18. 1. This section and sections 1 and 16.5 of this bill become effective upon passage and approval.
  - 2. Section 16 of this act becomes effective on July 1, 2022.

Senator Ratti moved the adoption of the amendment.

#### Remarks by Senator Ratti.

Amendment No. 274 to Senate Bill No. 293 deletes most of the bill as introduced and instead requires the Administrator of the Division of Child and Family Services of the Department of Health and Human Services to appoint a coordinator of services for commercially sexually-exploited children. The amendment outlines the coordinator's duties, and it prohibits a juvenile court that finds, on or after July 1, 2022, a commercially sexually-exploited child committed certain nonviolent acts, from adjudicating the child as a delinquent child or a child in need of supervision based on the act.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 313.

Bill read second time.

The following amendment was proposed by the Committee on Education: Amendment No. 269.

SUMMARY—Revises provisions relating to computer literacy and computer science education. (BDR 34-731)

AN ACT relating to education; requiring the Department of Education to establish an Internet repository of certain resources; authorizing a person who receives an endorsement to teach in a field of specialization relating to computer literacy and computer science to request a reimbursement; creating the Account for Training in Computer Literacy; Education and Technology; requiring a regional training program to provide training on methods to teach computer literacy or computer science; authorizing the Board of Regents of the University of Nevada to apply for a grant of money from the Account to establish curriculum and standards for the training of teachers in computer literacy and computer science; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each public school in this State to allow a pupil enrolled in the school to receive a fourth unit of credit toward the mathematics credits required for graduation from high school or a third unit of credit towards the science credits required for graduation from high school for successful completion of certain courses in computer science. (NRS 389.0186) Beginning July 1, 2022, existing law requires each school district, charter school that operates as a high school and university school for profoundly gifted pupils to make available to pupils a course in computer science. (NRS 389.037) Section 1 of this bill requires the Department of Education to develop and make available to school districts, charter schools and university schools for profoundly gifted pupils an Internet repository of resources for providing instruction in computer science to pupils in all grades. Section 1 also requires the Department to assist school districts, charter schools and university schools for profoundly gifted pupils as necessary to establish programs of instruction in computer science that meet the needs of their pupils. Section 6.5 of this bill provides that such programs of instruction may include the courses in computer science that each school district, charter school and university school for profoundly gifted pupils is required to make available to

\_Existing law provides various incentives for educational personnel. (NRS 391A.400-391A.590) Section 3 of this bill creates the Account for [Training in] Computer [Literacy] Education and Technology and establishes requirements for the use of money in the Account. Existing law authorizes the Board of Regents of the University of Nevada to prescribe courses of study for the Nevada System of Higher Education. (NRS 396.440) Section 6 of this bill authorizes the Board of Regents to apply for a grant from the Account to develop the curriculum and standards required to educate and train students

pupils enrolled in high school beginning on July 1, 2022.

studying to become teachers in computer literacy and computer science. Section 2 of this bill authorizes a person studying to become a teacher to request a reimbursement for the cost of the coursework required to obtain an endorsement to teach in a field of specialization relating to computer literacy and computer science.

Existing law requires the board of trustees of each school district and the governing body of each charter school to ensure that teachers and administrators have access to professional development training concerning the curriculum and instruction required for courses of study in computer science. (NRS 391A.370) Section 3.5 of this bill requires, to the extent that money is available, the State Board of Education to establish a program to award grants on a competitive basis to school districts and charter schools to provide incentives for a teacher to earn a degree or other credential in computer science. Existing law requires a regional training program to provide certain training for educational personnel. (NRS 391A.125) Section 4 of this bill requires a regional training program to provide training on methods to teach computer literacy and computer science.

Section 5 of this bill makes a conforming change. Section 7 of this bill makes appropriations [to the Department of Education] for the purpose of carrying out the provisions of this bill.

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

Section 1. Chapter 389 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Department shall:
- (a) Develop and make available to school districts, charter schools and university schools for profoundly gifted pupils an Internet repository of resources for providing instruction in computer science to pupils in all grades. The repository must contain, without limitation, resources for providing instruction concerning computational thinking and computer coding.
- (b) Assist school districts, charter schools and university schools for profoundly gifted pupils as necessary to establish programs of instruction in computer science that meet the needs of pupils enrolled in the school district, charter school or university school for profoundly gifted pupils, as applicable.
- 2. As used in this section:
- (a) "Computational thinking" means problem-solving skills and techniques commonly used by software engineers when writing programs for computer applications. Such skills and techniques include, without limitation, decomposition, pattern recognition, pattern generalization and designing algorithms.
- (b) "Computer coding" means the process of writing script for a computer program or mobile electronic device.
- [Section 1.] Sec. 1.5. Chapter 391 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

- Sec. 2. A person who receives an endorsement to teach in a field of specialization relating to computer literacy and computer science may request a reimbursement for the cost of the coursework required to receive such an endorsement from the board of trustees of a school district or governing body of a charter school that employs or will employ the person. The board of trustees or governing body, as applicable, may reimburse the person using money received from a grant provided to the board of trustees or governing body pursuant to NRS 391A.510 or section 3 of this act.
- Sec. 3. 1. The Account for [Training in] Computer [Literacy] Education and Technology is hereby created in the State General Fund, to be administered by the Superintendent of Public Instruction. The Superintendent of Public Instruction may accept gifts and grants of money from any source for deposit in the Account. Any money from gifts and grants may be expended in accordance with the terms and conditions of the gift or grant and in accordance with regulations adopted pursuant to subsection 2. The interest and income earned on the sum of money in the Account and any unexpended appropriations made to the Account from the State General Fund must be credited to the Account. Any money remaining in the Account does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.
- 2. Except as otherwise provided in subsection 1, the money in the Account may be used only for providing or reimbursing the cost of training in computer literacy and computer science pursuant to sections 2 and 6 of this act. The State Board shall adopt regulations governing the distribution of money in the Account for this purpose.
- Sec. 3.5. Chapter 391A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. To the extent that money is available, the State Board shall establish by regulation a program to award grants on a competitive basis to school districts and charter schools to provide incentives for a teacher to earn a degree or other credential in computer science.
- 2. A school district or charter school may apply jointly for a grant pursuant to subsection 1 with another school district or charter school, an employer, a college or university, a qualified provider of an alternative route to licensure approved pursuant to NRS 391.019 or a nonprofit organization.
- 3. A school district or charter school that wishes to obtain a grant pursuant to subsection 1 must submit to the Department an application in the form prescribed by the Department. The application must include, without limitation, a description of the incentives that the applicant intends to establish using the grant.
  - Sec. 4. NRS 391A.125 is hereby amended to read as follows:
- 391A.125 1. Based upon the priorities of programs prescribed by the State Board pursuant to subsection 4 of NRS 391A.505 and the assessment of needs for training within the region and priorities of training adopted by the

governing body puruant to NRS 391A.175, each regional training program shall provide:

- (a) Training for teachers and other licensed educational personnel in the:
- (1) Standards established by the Council to Establish Academic Standards for Public Schools pursuant to NRS 389.520;
- (2) Curriculum and instruction required for the standards adopted by the State Board;
- (3) Curriculum and instruction recommended by the Teachers and Leaders Council of Nevada; and
- (4) Culturally relevant pedagogy, taking into account cultural diversity and demographic differences throughout this State.
- (b) Through the Nevada Early Literacy Intervention Program established for the regional training program, training for teachers who teach kindergarten and grades 1, 2 or 3 on methods to teach fundamental reading skills, including, without limitation:
  - (1) Phonemic awareness;
  - (2) Phonics:
  - (3) Vocabulary;
  - (4) Fluency;
  - (5) Comprehension; and
  - (6) Motivation.
- (c) Training for administrators who conduct the evaluations required pursuant to NRS 391.685, 391.690, 391.705 and 391.710 relating to the manner in which such evaluations are conducted. Such training must be developed in consultation with the Teachers and Leaders Council of Nevada created by NRS 391.455.
- (d) Training for teachers, administrators and other licensed educational personnel relating to correcting deficiencies and addressing recommendations for improvement in performance that are identified in the evaluations conducted pursuant to NRS 391.685, 391.690, 391.705 or 391.710.
- (e) Training for teachers on methods to teach computer literacy or computer science to pupils.
  - (f) At least one of the following types of training:
- (1) Training for teachers and school administrators in the assessment and measurement of pupil achievement and the effective methods to analyze the test results and scores of pupils to improve the achievement and proficiency of pupils.
- (2) Training for teachers in specific content areas to enable the teachers to provide a higher level of instruction in their respective fields of teaching. Such training must include instruction in effective methods to teach in a content area provided by teachers who are considered masters in that content area.
- (3) In addition to the training provided pursuant to paragraph (b), training for teachers in the methods to teach basic skills to pupils, such as providing

instruction in reading with the use of phonics and providing instruction in basic skills of mathematics computation.

- $\frac{\{(f)\}}{\{(g)\}}$  In accordance with the program established by the Statewide Council pursuant to paragraph (b) of subsection 2 of NRS 391A.135 training for:
- (1) Teachers on how to engage parents and families, including, without limitation, disengaged families, in the education of their children and to build the capacity of parents and families to support the learning and academic achievement of their children.
- (2) Training for teachers and paraprofessionals on working with parent liaisons in public schools to carry out strategies and practices for effective parental involvement and family engagement.
  - 2. The training required pursuant to subsection 1 must:
- (a) Include the activities set forth in 20 U.S.C. § 7801(42), as deemed appropriate by the governing body for the type of training offered.
- (b) Include appropriate procedures to ensure follow-up training for teachers and administrators who have received training through the program.
  - (c) Incorporate training that addresses the educational needs of:
- (1) Pupils with disabilities who participate in programs of special education; and
  - (2) Pupils who are English learners.
- 3. The governing body of each regional training program shall prepare and maintain a list that identifies programs for the professional development of teachers and administrators that successfully incorporate:
- (a) The standards of content and performance established by the Council to Establish Academic Standards for Public Schools pursuant to NRS 389.520;
  - (b) Fundamental reading skills; and
  - (c) Other training listed in subsection 1.
- → The governing body shall provide a copy of the list on an annual basis to school districts for dissemination to teachers and administrators.
- 4. A regional training program may include model classrooms that demonstrate the use of educational technology for teaching and learning.
- 5. A regional training program may contract with the board of trustees of a school district that is served by the regional training program as set forth in NRS 391A.120 to provide professional development to the teachers and administrators employed by the school district that is in addition to the training required by this section. Any training provided pursuant to this subsection must include the activities set forth in 20 U.S.C. § 7801(42), as deemed appropriate by the governing body for the type of training offered.
- 6. To the extent money is available from legislative appropriation or otherwise, a regional training program may provide training to paraprofessionals.
- 7. As used in this section, "paraprofessional" has the meaning ascribed to it in NRS 391.008.
  - Sec. 5. NRS 391A.190 is hereby amended to read as follows:

- 391A.190 1. The governing body of each regional training program shall:
- (a) Establish a method for the evaluation of the success of the regional training program, including, without limitation, the Nevada Early Literacy Intervention Program. The method must be consistent with the uniform procedures and criteria adopted by the Statewide Council pursuant to NRS 391A.135 and the standards for professional development training adopted by the State Board pursuant to subsection 1 of NRS 391A.370.
- (b) On or before September 1 of each year and before submitting the annual report pursuant to paragraph (c), submit the annual report to the Statewide Council for its review and incorporate into the annual report any revisions recommended by the Statewide Council.
- (c) On or before December 1 of each year, submit an annual report to the State Board, the board of trustees of each school district served by the regional training program, the Commission on Professional Standards in Education, the Legislative Committee on Education and the Legislative Bureau of Educational Accountability and Program Evaluation that includes, without limitation:
- (1) The priorities for training adopted by the governing body pursuant to NRS 391A.175.
- (2) The type of training offered through the regional training program in the immediately preceding year.
- (3) The number of teachers and administrators who received training through the regional training program in the immediately preceding year.
- (4) The number of administrators who received training pursuant to paragraph (c) of subsection 1 of NRS 391A.125 in the immediately preceding year.
- (5) The number of teachers, administrators and other licensed educational personnel who received training pursuant to paragraph (d) of subsection 1 of NRS 391A.125 in the immediately preceding year.
- (6) The number of teachers who received training pursuant to subparagraph (1) of paragraph  $\frac{\{(f)\}}{g}$  (g) of subsection 1 of NRS 391A.125 in the immediately preceding year.
- (7) The number of paraprofessionals, if any, who received training through the regional training program in the immediately preceding year.
- (8) An evaluation of the effectiveness of the regional training program, including, without limitation, the Nevada Early Literacy Intervention Program, in accordance with the method established pursuant to paragraph (a).
  - (9) An evaluation of whether the training included the:
- (I) Standards of content and performance established by the Council to Establish Academic Standards for Public Schools pursuant to NRS 389.520;
- $(II) \ \ Curriculum \ and \ instruction \ required \ for \ the \ common \ core \ standards \ adopted \ by \ the \ State \ Board;$
- (III) Curriculum and instruction recommended by the Teachers and Leaders Council of Nevada created by NRS 391.455; and

- (IV) Culturally relevant pedagogy, taking into account cultural diversity and demographic differences throughout this State.
- (10) An evaluation of the effectiveness of training on improving the quality of instruction and the achievement of pupils.
- (11) A description of the gifts and grants, if any, received by the governing body in the immediately preceding year and the gifts and grants, if any, received by the Statewide Council during the immediately preceding year on behalf of the regional training program. The description must include the manner in which the gifts and grants were expended.
- (12) The 5-year plan for the regional training program prepared pursuant to NRS 391A.175 and any revisions to the plan made by the governing body in the immediately preceding year.
- 2. The information included in the annual report pursuant to paragraph (c) of subsection 1 must be aggregated for each regional training program and disaggregated for each school district served by the regional training program.
- 3. As used in this section, "paraprofessional" has the meaning ascribed to it in NRS 391.008.
- Sec. 6. Chapter 396 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Board of Regents may apply for a grant from the Account for [Training in] Computer [Literacy] Education and Technology created pursuant to section 3 of this act to develop the curriculum and standards required to educate and train a person who is studying to become a teacher in computer literacy and computer science.
- 2. All persons who are studying to become a teacher must receive appropriate education and training in computer literacy and computer science.

### Sec. 6.5. Section 1 of this act is hereby amended to read as follows:

### Section 1. 1. The Department shall:

- (a) Develop and make available to school districts, charter schools and university schools for profoundly gifted pupils an Internet repository of resources for providing instruction in computer science to pupils in all grades. The repository must contain, without limitation, resources for providing instruction concerning computational thinking and computer coding.
- (b) Assist school districts, charter schools and university schools for profoundly gifted pupils as necessary to establish programs of instruction in computer science <u>, including, without limitation, the courses required by NRS 389.037</u>, that meet the needs of pupils enrolled in the school district, charter school or university school for profoundly gifted pupils, as applicable.
  - 2. As used in this section:
- (a) "Computational thinking" means problem-solving skills and techniques commonly used by software engineers when writing programs for computer applications. Such skills and techniques include, without

limitation, decomposition, pattern recognition, pattern generalization and designing algorithms.

- (b) "Computer coding" means the process of writing script for a computer program or mobile electronic device.
- Sec. 7. 1. There is hereby appropriated from the State General Fund to the Department of Education for transfer to the Clark County School District for the purpose of carrying out the provisions of this act, the following sums:

2. There is hereby appropriated from the State General Fund to the Department of Education for transfer to the Washoe County School District for the purpose of carrying out the provisions of this act, the following sums:

3. There is hereby appropriated from the State General Fund to the Department of Education for the purpose of awarding grants of money to certain school districts and charter schools pursuant to subsection 4 to carry out the provisions of this act, the following sums:

For the Fiscal Year 2019-2020.........\$200,000 For the Fiscal Year 2020-2021............[\$400,000] \$200,000

- 4. There is hereby appropriated from the State General Fund to the Department of Education the sum of \$120,000 for the purpose of providing the training required pursuant to section 4 of this act.
- 5. There is hereby appropriated from the State General Fund to the Department of Education the sum of \$12,588 for the purpose of monitoring computer education on a statewide basis.
- <u>6.</u> There is hereby appropriated from the State General Fund to the Account for Computer Education and Technology the sum of \$100,000.
- 7. Grants awarded from the sums appropriated by subsection 3 must be awarded to school districts, other than the Clark County School District or the Washoe County School District, and charter schools in this State through a noncompetitive application process.
- [5.] 8. Any remaining balance of the sums appropriated by [subsections]:

  (a) Subsections 1, 2 and 3 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2020, and September 17, 2021, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, respectively.
- (b) Subsections 4, 5 and 6 must not be committed for expenditure after June 30, 2021, by the entity to which the appropriation is made or any entity

to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2021, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2021.

Sec. 8. <u>1.</u> This <del>[act-becomes]</del> <u>section</u>, <u>sections 1 to 6</u>, <u>inclusive</u>, <u>and section 7 of this act become effective on July 1, 2019</u>.

2. Section 6.5 of this act becomes effective on July 1, 2022.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 269 combines provisions of Senate Bill No. 476 into Senate Bill No. 313. It changes the name of the Account for Training in Computer Literacy to the Account for Computer Education and Technology. Additionally, the amendment revises certain funding levels for the purpose of carrying out the provisions of the bill and specifies other appropriations.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 315.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 542.

SUMMARY—Revises provisions relating to public health. (BDR 40-581)

AN ACT relating to public health; creating the Rare Disease Advisory Council within the Department of Health and Human Services; requiring information concerning the importance of annual physical examinations for children to be provided in certain programs, activities, notifications and courses; providing for the issuance of special license plates to increase awareness of childhood cancer; exempting the special license plates from certain provisions otherwise applicable to special license plates; requiring certain licensing boards to encourage continuing education in the diagnosis of rare diseases and disseminate information concerning childhood cancers; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes certain programs to improve public health in this State. (NRS 439.495-439.5297) Section 2 of this bill creates the Rare Disease Advisory Council within the Department of Health and Human Services to study issues relating to the prevalence and treatment of rare diseases in this State. Section 3 of this bill prescribes the duties of the Council, which include annually compiling a public report. Section 3 requires the report to contain a

summary of the activities of the Council and any recommendations of the Council for legislation and other policies.

Existing law requires the Division of Public and Behavioral Health of the Department of Health and Human Services to take necessary measures to prevent the spread of sickness and disease and enforce all health laws and regulations. (NRS 439.170) Section 4 of this bill requires the Division to include information concerning the importance of annual physical examinations by a provider of health care for children in appropriate public health programs and activities. Section 5 of this bill requires the board of trustees of a school district or the governing body of a charter school to include such information in any written communication with the parents or guardians of pupils related to the health of pupils.

Existing law requires health and physical education to be taught in all public schools in this State. (NRS 389.018) Section 6 of this bill requires those courses to include instruction concerning the importance of annual physical examinations by a provider of health care and the appropriate response to unusual aches and pains.

Section 7 of this bill requires the Department of Motor Vehicles to design, prepare and issue special license plates to increase awareness of childhood cancer. A person wishing to obtain the special license plates must pay to the Department [a fee] fees for initial issuance of [\$35] \$60 and [a fee] fees for renewal of [\$10,] \$30, along with all applicable registration and license fees and governmental services taxes. Section 7 requires a portion of those fees to be credited to the Department and used to pay any expenses of the Rare Disease Advisory Council and other programs and services related to childhood cancer. A person wishing to obtain the special license plates may also request that the plates be combined with personalized prestige plates if the person pays the additional fees for the personalized prestige plates.

Under existing law, certain special license plates: (1) must be approved by the Department, based on a recommendation from the Commission on Special License Plates; (2) are subject to a limitation on the number of separate designs of special license plates which the Department may issue at any one time; and (3) may not be designed, prepared or issued by the Department unless a certain number of applications for the plates are received. (NRS 482.367004, 482.367008, 482.36705) Sections 11-13 of this bill exempt the special license plates to increase awareness of childhood cancer from each of the preceding requirements. Sections [8-10] 7.5-10 and 14-16 of this bill make conforming changes.

Existing law requires physicians, physician assistants and registered nurses to receive certain continuing education. (NRS 630.253, 632.343, 633.471) Sections 18, 20 and 22 of this bill require the Board of Medical Examiners, the State Board of Nursing and the State Board of Osteopathic Medicine to encourage physicians, physician assistants and advanced practice registered nurses to receive, as a portion of that continuing education, training and education in the diagnosis of rare diseases. Sections 17, 19 and 21 of this bill

require those licensing boards to annually disseminate to physicians, physician assistants and registered nurses who care for children information concerning the signs of pediatric cancer.

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

- Section 1. Chapter 439 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. 1. The Rare Disease Advisory Council is hereby created within the Department of Health and Human Services. The *[Director shall appoint to the]* Council *[the]* consists of:
- (a) The Chair of the State of Nevada Advisory Council on Palliative Care and Quality of Life created by NRS 232.4855 or his or her designee; and
- $\frac{(a)}{(a)}$  appointed by the Director:
- <u>(1)</u> Not more than three physicians who practice in the area of cardiology, emergency care, neurology, oncology, orthopedics, pediatrics or primary care and provide care to patients with rare diseases;
- <del>[(b)]</del> (2) Two registered nurses who provide care to patients with rare diseases;
- $\frac{\{(e)\}}{(3)}$  Not more than two administrators of hospitals that provide care to patients with rare diseases or their designees;
- $\frac{\{(d)\}}{\{(d)\}}$  (4) One representative of the Division who provides education concerning rare diseases or the management of chronic conditions;
- <del>[(e)]</del> (5) The employee of the Division who is responsible for epidemiology services;
- [(f)] (6) Two persons over 18 years of age who have suffered from or currently suffer from a rare disease;
- [(8)] (7) Two parents or guardians who each have experience caring for a child with a rare disease; fand
- (h)] (8) One representative of an organization dedicated to providing services to patients suffering from rare diseases [...] in northern Nevada; and
- (9) One representative of an organization dedicated to providing services to patients suffering from rare diseases in southern Nevada.
- 2. The Council may, by affirmative vote of a majority of its members, request for the Director to appoint to the Council additional members who have expertise on issues studied by the Council. Such members serve for a period determined by the Council.
- 3. A vacancy in the membership of the Council must be filled in the same manner as the initial appointment.
- 4. The members of the Council serve without compensation and are not entitled to the per diem and travel expenses provided for state officers and employees generally.
- 5. Each member of the Council who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation so that the officer or employee may

prepare for and attend meetings of the Council and perform any work necessary to carry out the duties of the Council in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the Council to make up the time the officer or employee is absent from work to carry out duties as a member of the Council or use annual leave or compensatory time for the absence.

- 6. The Department shall provide such administrative support to the Council as is necessary to carry out the duties of the Council.
  - 7. The Council shall:
- (a) Elect a Chair from among its members; and
- (b) Meet at least once every 3 months at the times and places specified by a call of the Chair and may meet at such further times as deemed necessary by the Chair.
- Sec. 3. 1. The Rare Disease Advisory Council created by section 2 of this act shall:
- (a) Perform a statistical and qualitative examination of the incidence, causes and economic burden of rare diseases in this State;
- (b) Receive and consider reports and testimony concerning rare diseases from persons, the Division, community-based organizations, providers of health care and other local and national organizations whose work relates to rare diseases;
  - (c) Increase awareness of the burden caused by rare diseases in this State;
  - (d) Identify evidence-based strategies to prevent and control rare diseases;
- (e) Determine the effect of delayed or inappropriate treatment on the quality of life for patients suffering from rare diseases and the economy of this State;
- (f) Study the effect of early treatment for rare diseases on the quality of life for patients suffering from rare diseases, the provision of services to such patients and reimbursement for such services;
- (g) Increase awareness among providers of health care of the symptoms of and care for patients with rare diseases;
- (h) Evaluate the systems for delivery of treatment for rare diseases in place in this State and develop recommendations to increase the survival rates and quality of life of patients with rare diseases;
- (i) Determine effective methods of collecting data concerning cases of rare diseases in this State for the purpose of conducting epidemiological studies of rare diseases in this State;
- (j) Establish a comprehensive plan for the management of rare diseases in this State, which must include, without limitation, recommendations for the Department, the Division, local health districts, public and private organizations, businesses and potential sources of funding, and update the comprehensive plan as necessary; and
- (k) Develop a registry of rare diseases diagnosed in this State to determine the genetic and environmental factors that contribute to such rare diseases.

- 2. The Council shall compile an annual report which must include, without limitation, a summary of the activities of the Council and any recommendations of the Council for legislation or other policies. The Council shall:
- (a) Post the report on an Internet website maintained by the Department; and
- (b) Submit the report to the Department, the Governor and the Director of the Legislative Counsel Bureau for transmittal to:
- (1) In even-numbered years, the next regular session of the Legislature; and
  - (2) In odd-numbered years, the Legislative Committee on Health Care.
- 3. As used in this section, "provider of health care" has the meaning ascribed to it in NRS 629.031.
  - Sec. 4. NRS 439.170 is hereby amended to read as follows:
- 439.170 *1*. The Division shall take such measures as may be necessary to prevent the spread of sickness and disease, and shall possess all powers necessary to fulfill the duties and exercise the authority prescribed by law and to bring actions in the courts for the enforcement of all health laws and lawful rules and regulations.
- 2. The Division shall include in appropriate public health programs and activities information concerning the importance of an annual physical examination by a provider of health care for children.
- Sec. 5. Chapter 388 of NRS is hereby amended by adding thereto a new section to read as follows:

The board of trustees of a school district or the governing body of a charter school shall include in any written communication with the parent or guardian of a pupil related to the health of pupils information concerning the importance of an annual physical examination by a provider of health care for children.

- Sec. 6. NRS 389.018 is hereby amended to read as follows:
- 389.018 1. The following subjects are designated as the core academic subjects that must be taught, as applicable for grade levels, in all public schools, the Caliente Youth Center, the Nevada Youth Training Center and any other state facility for the detention of children that is operated pursuant to title 5 of NRS:
  - (a) English language arts;
  - (b) Mathematics;
  - (c) Science; and
- (d) Social studies, which includes only the subjects of history, geography, economics and government.
- 2. Except as otherwise provided in this subsection, a pupil enrolled in a public high school must enroll in a minimum of:
  - (a) Four units of credit in English language arts;

- (b) Four units of credit in mathematics, including, without limitation, Algebra I and geometry, or an equivalent course of study that integrates Algebra I and geometry;
  - (c) Three units of credit in science, including two laboratory courses; and
  - (d) Three units of credit in social studies, including, without limitation:
    - (1) American government;
  - (2) American history; and
  - (3) World history or geography.
- → A pupil is not required to enroll in the courses of study and credits required by this subsection if the pupil, the parent or legal guardian of the pupil and an administrator or a counselor at the school in which the pupil is enrolled mutually agree to a modified course of study for the pupil and that modified course of study satisfies at least the requirements for a standard high school diploma, an adjusted diploma or an alternative diploma, as applicable.
- 3. Except as otherwise provided in this subsection, in addition to the core academic subjects, the following subjects must be taught as applicable for grade levels and to the extent practicable in all public schools, the Caliente Youth Center, the Nevada Youth Training Center and any other state facility for the detention of children that is operated pursuant to title 5 of NRS:
  - (a) The arts:
  - (b) Computer education and technology;
  - (c) Health; and
  - (d) Physical education.
- → If the State Board requires the completion of course work in a subject area set forth in this subsection for graduation from high school or promotion to the next grade, a public school shall offer the required course work. Except as otherwise provided for a course of study in health prescribed by subsection 1 of NRS 389.021, unless a subject is required for graduation from high school or promotion to the next grade, a charter school is not required to comply with this subsection.
- 4. Instruction in health and physical education provided pursuant to subsection 3 must include, without limitation, instruction concerning the importance of annual physical examinations by a provider of health care and the appropriate response to unusual aches and pains.
- Sec. 7. Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Department, in cooperation with organizations selected by the Department whose work relates to childhood cancer, shall design, prepare and issue license plates to increase awareness of childhood cancer using any colors and designs which the Department deems appropriate. The design of the license plates must include the phrase "Cure Childhood Cancer."
- 2. The Department shall issue license plates to increase awareness of childhood cancer for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for

registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates to increase awareness of childhood cancer if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates to increase awareness of childhood cancer pursuant to [subsection] subsections 3 [-] and 4.

- 3. The fee for license plates to increase awareness of childhood cancer is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.
- 4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed pursuant to subsection 3, a person who requests a set of license plates to increase awareness of childhood cancer must pay for the issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20, to be deposited in accordance with subsection 8.
- <u>5.</u> The provisions of NRS 482.36705 do not apply to license plates described in this section.
- [5.] 6. If, during a registration period, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:
- (a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the holder pays the fee for the transfer of the registration and any registration fee or governmental services taxes due pursuant to NRS 482.399; or
- (b) Within 30 days after removing the plates from the vehicle, return them to the Department.
- [6-] 7. The Department may accept any gifts, grants and donations or other sources of money for the production and issuance of the special license plates pursuant to this section.
- [7.] 8. The Department shall deposit the <u>additional</u> fees collected pursuant to subsection 4 with the State Treasurer for credit to the Department of Health and Human Services. The money may be used by the Department of Health and Human Services only:
- (a) To pay any expenses of the Rare Disease Advisory Council created by section 2 of this act; and
  - (b) For other programs and services related to childhood cancer.
  - Sec. 7.5. NRS 482.2065 is hereby amended to read as follows:
- $482.2065\quad 1.\quad A trailer may be registered for a 3-year period as provided in this section.$
- 2. A person who registers a trailer for a 3-year period must pay upon registration all fees and taxes that would be due during the 3-year period if he or she registered the trailer for 1 year and renewed that registration for 2 consecutive years immediately thereafter, including, without limitation:
  - (a) Registration fees pursuant to NRS 482.480 and 482.483.

- (b) A fee for each license plate issued pursuant to NRS 482.268.
- (c) Fees for the initial issuance, reissuance and renewal of a special license plate pursuant to NRS 482.265, if applicable.
- (d) Fees for the initial issuance and renewal of a personalized prestige license plate pursuant to NRS 482.367, if applicable.
- (e) Additional fees for the initial issuance and renewal of a special license plate issued pursuant to NRS 482.3667 to 482.3823, inclusive, <u>and section 7 of this act</u> which are imposed to generate financial support for a particular cause or charitable organization, if applicable.
- (f) Governmental services taxes imposed pursuant to chapter 371 of NRS, as provided in NRS 482.260.
- (g) The applicable taxes imposed pursuant to chapters 372, 374, 377 and 377A of NRS.
- 3. A license plate issued pursuant to this section will be reissued as provided in NRS 482.265 except that such reissuance will be done at the first renewal after the license plate has been issued for not less than 8 years.
- 4. As used in this section, the term "trailer" does not include a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483.
  - Sec. 8. NRS 482.216 is hereby amended to read as follows:
- 482.216 1. Except as otherwise provided in NRS 482.2155, upon the request of a new vehicle dealer, the Department may authorize the new vehicle dealer to:
- (a) Accept applications for the registration of the new motor vehicles he or she sells and the related fees and taxes;
- (b) Issue certificates of registration to applicants who satisfy the requirements of this chapter; and
- (c) Accept applications for the transfer of registration pursuant to NRS 482.399 if the applicant purchased from the new vehicle dealer a new vehicle to which the registration is to be transferred.
- 2. A new vehicle dealer who is authorized to issue certificates of registration pursuant to subsection 1 shall:
- (a) Transmit the applications received to the Department within the period prescribed by the Department;
- (b) Transmit the fees collected from the applicants and properly account for them within the period prescribed by the Department;
  - (c) Comply with the regulations adopted pursuant to subsection 5; and
- (d) Bear any cost of equipment which is necessary to issue certificates of registration, including any computer hardware or software.
- 3. A new vehicle dealer who is authorized to issue certificates of registration pursuant to subsection 1 shall not:
  - (a) Charge any additional fee for the performance of those services;
- (b) Receive compensation from the Department for the performance of those services:
- (c) Accept applications for the renewal of registration of a motor vehicle; or

- (d) Accept an application for the registration of a motor vehicle if the applicant wishes to:
- (1) Obtain special license plates pursuant to NRS 482.3667 to 482.3823, inclusive  $[\frac{1}{2}]$ , and section 7 of this act; or
- (2) Claim the exemption from the governmental services tax provided pursuant to NRS 361.1565 to veterans and their relations.
- 4. The provisions of this section do not apply to the registration of a moped pursuant to NRS 482.2155.
- 5. The Director shall adopt such regulations as are necessary to carry out the provisions of this section. The regulations adopted pursuant to this subsection must provide for:
- (a) The expedient and secure issuance of license plates and decals by the Department; and
- (b) The withdrawal of the authority granted to a new vehicle dealer pursuant to subsection 1 if that dealer fails to comply with the regulations adopted by the Department.
  - Sec. 9. NRS 482.2703 is hereby amended to read as follows:
- 482.2703 1. The Director may order the preparation of sample license plates which must be of the same design and size as regular license plates or license plates issued pursuant to NRS 482.384. The Director shall ensure that:
- (a) Each license plate issued pursuant to this subsection, regardless of its design, is inscribed with the word SAMPLE and an identical designation which consists of the same group of three numerals followed by the same group of three letters; and
- (b) The designation of numerals and letters assigned pursuant to paragraph (a) is not assigned to a vehicle registered pursuant to this chapter or chapter 706 of NRS.
- 2. The Director may order the preparation of sample license plates which must be of the same design and size as any of the special license plates issued pursuant to NRS 482.3667 to 482.3823, inclusive [...], and section 7 of this act. The Director shall ensure that:
- (a) Each license plate issued pursuant to this subsection, regardless of its design, is inscribed with the word SAMPLE and the number zero in the location where any other numerals would normally be displayed on a license plate of that design; and
- (b) The number assigned pursuant to paragraph (a) is not assigned to a vehicle registered pursuant to this chapter or chapter 706 of NRS.
- 3. The Director may establish a fee for the issuance of sample license plates of not more than \$15 for each license plate.
- 4. A decal issued pursuant to NRS 482.271 may be displayed on a sample license plate issued pursuant to this section.
- 5. All money collected from the issuance of sample license plates must be deposited in the State Treasury for credit to the Motor Vehicle Fund.

- 6. A person shall not affix a sample license plate issued pursuant to this section to a vehicle. A person who violates the provisions of this subsection is guilty of a misdemeanor.
  - Sec. 10. NRS 482.274 is hereby amended to read as follows:
- 482.274 1. The Director shall order the preparation of vehicle license plates for trailers in the same manner provided for motor vehicles in NRS 482.270, except that a vehicle license plate prepared for a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 is not required to have displayed upon it the month and year the registration expires.
- 2. The Director shall order preparation of two sizes of vehicle license plates for trailers. The smaller plates may be used for trailers with a gross vehicle weight of less than 1,000 pounds.
- 3. The Director shall determine the registration numbers assigned to trailers.
- 4. Any license plates issued for a trailer before July 1, 1975, bearing a different designation from that provided for in this section, are valid during the period for which such plates were issued.
- 5. Any license plates issued for a trailer before January 1, 1982, are not subject to reissue pursuant to subsection 2 of NRS 482.265.
- 6. The Department shall not issue for a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 a special license plate available pursuant to NRS 482.3667 to 482.3823, inclusive [.], and section 7 of this act.
  - Sec. 11. NRS 482.367004 is hereby amended to read as follows:
- 482.367004 1. There is hereby created the Commission on Special License Plates. The Commission is advisory to the Department and consists of five Legislators and three nonvoting members as follows:
  - (a) Five Legislators appointed by the Legislative Commission:
- (1) One of whom is the Legislator who served as the Chair of the Assembly Standing Committee on Transportation during the most recent legislative session. That Legislator may designate an alternate to serve in place of the Legislator when absent. The alternate must be another Legislator who also served on the Assembly Standing Committee on Transportation during the most recent legislative session.
- (2) One of whom is the Legislator who served as the Chair of the Senate Standing Committee on Transportation during the most recent legislative session. That Legislator may designate an alternate to serve in place of the Legislator when absent. The alternate must be another Legislator who also served on the Senate Standing Committee on Transportation during the most recent legislative session.
  - (b) Three nonvoting members consisting of:
- (1) The Director of the Department of Motor Vehicles, or a designee of the Director.
- (2) The Director of the Department of Public Safety, or a designee of the Director.

- (3) The Director of the Department of Tourism and Cultural Affairs, or a designee of the Director.
- 2. Each member of the Commission appointed pursuant to paragraph (a) of subsection 1 serves a term of 2 years, commencing on July 1 of each odd-numbered year. A vacancy on the Commission must be filled in the same manner as the original appointment.
- 3. Members of the Commission serve without salary or compensation for their travel or per diem expenses.
- 4. The Director of the Legislative Counsel Bureau shall provide administrative support to the Commission.
- 5. The Commission shall recommend to the Department that the Department approve or disapprove:
- (a) Applications for the design, preparation and issuance of special license plates that are submitted to the Department pursuant to subsection 1 of NRS 482.367002;
- (b) The issuance by the Department of special license plates that have been designed and prepared pursuant to NRS 482.367002; and
- (c) Except as otherwise provided in subsection 7, applications for the design, preparation and issuance of special license plates that have been authorized by an act of the Legislature after January 1, 2007.
- → In determining whether to recommend to the Department the approval of such an application or issuance, the Commission shall consider, without limitation, whether it would be appropriate and feasible for the Department to, as applicable, design, prepare or issue the particular special license plate. For the purpose of making recommendations to the Department, the Commission shall consider each application in the chronological order in which the application was received by the Department.
- 6. On or before September 1 of each fiscal year, the Commission shall compile a list of each special license plate for which the Commission, during the immediately preceding fiscal year, recommended to the Department that the Department approve the application for the special license plate or approve the issuance of the special license plate. The list so compiled must set forth, for each such plate, the cause or charitable organization for which the special license plate generates or would generate financial support, and the intended use to which the financial support is being put or would be put. The Commission shall transmit the information described in this subsection to the Department and the Department shall make that information available on its Internet website.
- 7. The provisions of paragraph (c) of subsection 5 do not apply with regard to special license plates that are issued pursuant to NRS 482.3746, 482.3751, 482.3752, 482.3757, 482.3783, 482.3785, 482.3787 or 482.37901 [...] or section 7 of this act.
  - 8. The Commission shall:
- (a) Recommend to the Department that the Department approve or disapprove any proposed change in the distribution of money received in the

form of additional fees. As used in this paragraph, "additional fees" means the fees that are charged in connection with the issuance or renewal of a special license plate for the benefit of a particular cause, fund or charitable organization. The term does not include registration and license fees or governmental services taxes.

- (b) If it recommends a proposed change pursuant to paragraph (a) and determines that legislation is required to carry out the change, recommend to the Department that the Department request the assistance of the Legislative Counsel in the preparation of a bill draft to carry out the change.
  - Sec. 12. NRS 482.367008 is hereby amended to read as follows:
  - 482.367008 1. As used in this section, "special license plate" means:
- (a) A license plate that the Department has designed and prepared pursuant to NRS 482.367002 in accordance with the system of application and petition described in that section:
- (b) A license plate approved by the Legislature that the Department has designed and prepared pursuant to NRS 482.3747, 482.37903, 482.37905, 482.37917, 482.379175, 482.37918, 482.37919, 482.3792, 482.3793, 482.37933, 482.37934, 482.37935, 482.37935, 482.379365, 482.37937, 482.379375, 482.37938, 482.37939, 482.37945 or 482.37947; and
- (c) Except for a license plate that is issued pursuant to NRS 482.3746, 482.3751, 482.3752, 482.3757, 482.3783, 482.3785, 482.3787 or 482.37901, *or section 7 of this act*, a license plate that is approved by the Legislature after July 1, 2005.
- 2. Notwithstanding any other provision of law to the contrary, and except as otherwise provided in subsection 3, the Department shall not, at any one time, issue more than 30 separate designs of special license plates. Whenever the total number of separate designs of special license plates issued by the Department at any one time is less than 30, the Department shall issue a number of additional designs of special license plates that have been authorized by an act of the Legislature or the application for which has been recommended by the Commission on Special License Plates to be approved by the Department pursuant to subsection 5 of NRS 482.367004, not to exceed a total of 30 designs issued by the Department at any one time. Such additional designs must be issued by the Department in accordance with the chronological order of their authorization or approval by the Department.
- 3. In addition to the special license plates described in subsection 2, the Department may issue not more than five separate designs of special license plates in excess of the limit set forth in that subsection. To qualify for issuance pursuant to this subsection:
- (a) The Commission on Special License Plates must have recommended to the Department that the Department approve the design, preparation and issuance of the special plates as described in paragraphs (a) and (b) of subsection 5 of NRS 482.367004; and
- (b) The special license plates must have been applied for, designed, prepared and issued pursuant to NRS 482.367002, except that:

- (1) The application for the special license plates must be accompanied by a surety bond posted with the Department in the amount of \$20,000; and
- (2) Pursuant to the assessment of the viability of the design of the special license plates that is conducted pursuant to this section, it is determined that at least 3,000 special license plates have been issued.
- 4. Except as otherwise provided in this subsection, on October 1 of each year the Department shall assess the viability of each separate design of special license plate that the Department is currently issuing by determining the total number of validly registered motor vehicles to which that design of special license plate is affixed. The Department shall not determine the total number of validly registered motor vehicles to which a particular design of special license plate is affixed if:
- (a) The particular design of special license plate was designed and prepared by the Department pursuant to NRS 482.367002; and
- (b) On October 1, that particular design of special license plate has been available to be issued for less than 12 months.
- 5. If, on October 1, the total number of validly registered motor vehicles to which a particular design of special license plate is affixed is:
- (a) In the case of special license plates not described in subsection 3, less than 1,000; or
- (b) In the case of special license plates described in subsection 3, less than 3,000,
- → the Director shall provide notice of that fact in the manner described in subsection 6.
  - 6. The notice required pursuant to subsection 5 must be provided:
- (a) If the special license plate generates financial support for a cause or charitable organization, to that cause or charitable organization.
- (b) If the special license plate does not generate financial support for a cause or charitable organization, to an entity which is involved in promoting the activity, place or other matter that is depicted on the plate.
- 7. If, on December 31 of the same year in which notice was provided pursuant to subsections 5 and 6, the total number of validly registered motor vehicles to which a particular design of special license plate is affixed is:
- (a) In the case of special license plates not described in subsection 3, less than 1,000; or
- (b) In the case of special license plates described in subsection 3, less than 3,000,
- → the Director shall, notwithstanding any other provision of law to the contrary, issue an order providing that the Department will no longer issue that particular design of special license plate. Except as otherwise provided in subsection 2 of NRS 482.265, such an order does not require existing holders of that particular design of special license plate to surrender their plates to the Department and does not prohibit those holders from renewing those plates.
  - Sec. 13. NRS 482.36705 is hereby amended to read as follows:
  - 482.36705 1. Except as otherwise provided in subsection 2:

- (a) If a new special license plate is authorized by an act of the Legislature after January 1, 2003, other than a special license plate that is authorized pursuant to NRS 482.379375, the Legislature will direct that the license plate not be designed, prepared or issued by the Department unless the Department receives at least 1,000 applications for the issuance of that plate within 2 years after the effective date of the act of the Legislature that authorized the plate.
- (b) In addition to the requirements set forth in paragraph (a), if a new special license plate is authorized by an act of the Legislature after July 1, 2005, the Legislature will direct that the license plate not be issued by the Department unless its issuance complies with subsection 2 of NRS 482.367008.
- (c) In addition to the requirements set forth in paragraphs (a) and (b), if a new special license plate is authorized by an act of the Legislature after January 1, 2007, the Legislature will direct that the license plate not be designed, prepared or issued by the Department unless the Commission on Special License Plates recommends to the Department that the Department approve the application for the authorized plate pursuant to NRS 482.367004.
- 2. The provisions of subsection 1 do not apply with regard to special license plates that are issued pursuant to NRS 482.3746, 482.3751, 482.3752, 482.3757, 482.3783, 482.3785, 482.3787 or 482.37901 [...] or section 7 of this act.
  - Sec. 14. NRS 482.38276 is hereby amended to read as follows:

482.38276 "Special license plate" means:

- 1. A license plate that the Department has designed and prepared pursuant to NRS 482.367002 in accordance with the system of application and petition described in that section;
- 2. A license plate approved by the Legislature that the Department has designed and prepared pursuant to NRS 482.3747, 482.37903, 482.37904, 482.37905, 482.37917, 482.379175, 482.37918, 482.37919, 482.3792, 482.3793, 482.37933, 482.37934, 482.37935, 482.379355, 482.379365, 482.37937, 482.379375, 482.37938, 482.37939, 482.37945 or 482.37947; and
- 3. Except for a license plate that is issued pursuant to NRS 482.3746, 482.3757, 482.3785, 482.3787 or 482.37901 [-] or section 7 of this act, a license plate that is approved by the Legislature after July 1, 2005.
  - Sec. 15. NRS 482.399 is hereby amended to read as follows:
- 482.399 1. Upon the transfer of the ownership of or interest in any vehicle by any holder of a valid registration, or upon destruction of the vehicle, the registration expires.
- 2. Except as otherwise provided in NRS 482.2155 and subsection 3 of NRS 482.483, the holder of the original registration may transfer the registration to another vehicle to be registered by the holder and use the same regular license plate or plates or special license plate or plates issued pursuant to NRS 482.3667 to 482.3823, inclusive, *and section 7 of this act*, or 482.384, on the vehicle from which the registration is being transferred, if the license plate or plates are appropriate for the second vehicle, upon filing an application for transfer of registration and upon paying the transfer registration fee and the

excess, if any, of the registration fee and governmental services tax on the vehicle to which the registration is transferred over the total registration fee and governmental services tax paid on all vehicles from which he or she is transferring ownership or interest. Except as otherwise provided in NRS 482.294, an application for transfer of registration must be made in person, if practicable, to any office or agent of the Department or to a registered dealer, and the license plate or plates may not be used upon a second vehicle until registration of that vehicle is complete.

- 3. In computing the governmental services tax, the Department, its agent or the registered dealer shall credit the portion of the tax paid on the first vehicle attributable to the remainder of the current registration period or calendar year on a pro rata monthly basis against the tax due on the second vehicle or on any other vehicle of which the person is the registered owner. If any person transfers ownership or interest in two or more vehicles, the Department or the registered dealer shall credit the portion of the tax paid on all of the vehicles attributable to the remainder of the current registration period or calendar year on a pro rata monthly basis against the tax due on the vehicle to which the registration is transferred or on any other vehicle of which the person is the registered owner. The certificates of registration and unused license plates of the vehicles from which a person transfers ownership or interest must be submitted before credit is given against the tax due on the vehicle to which the registration is transferred or on any other vehicle of which the person is the registered owner.
- 4. In computing the registration fee, the Department or its agent or the registered dealer shall credit the portion of the registration fee paid on each vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis against the registration fee due on the vehicle to which registration is transferred.
- 5. If the amount owed on the registration fee or governmental services tax on the vehicle to which registration is transferred is less than the credit on the total registration fee or governmental services tax paid on all vehicles from which a person transfers ownership or interest, the person may apply the unused portion of the credit to the registration of any other vehicle owned by the person. Any unused portion of such a credit expires on the date the registration of the vehicle from which the person transferred the registration was due to expire.
- 6. If the license plate or plates are not appropriate for the second vehicle, the plate or plates must be surrendered to the Department or registered dealer and an appropriate plate or plates must be issued by the Department. The Department shall not reissue the surrendered plate or plates until the next succeeding licensing period.
- 7. If application for transfer of registration is not made within 60 days after the destruction or transfer of ownership of or interest in any vehicle, the license plate or plates must be surrendered to the Department on or before the 60th day for cancellation of the registration.

- 8. Except as otherwise provided in subsection 2 of NRS 371.040, NRS 482.2155, subsections 7 and 8 of NRS 482.260 and subsection 3 of NRS 482.483, if a person cancels his or her registration and surrenders to the Department the license plates for a vehicle, the Department shall:
- (a) In accordance with the provisions of subsection 9, issue to the person a refund of the portion of the registration fee and governmental services tax paid on the vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis; or
- (b) If the person does not qualify for a refund in accordance with the provisions of subsection 9, issue to the person a credit in the amount of the portion of the registration fee and governmental services tax paid on the vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis. Such a credit may be applied by the person to the registration of any other vehicle owned by the person. Any unused portion of the credit expires on the date the registration of the vehicle from which the person obtained a refund was due to expire.
- 9. The Department shall issue a refund pursuant to subsection 8 only if the request for a refund is made at the time the registration is cancelled and the license plates are surrendered, the person requesting the refund is a resident of Nevada, the amount eligible for refund exceeds \$100, and evidence satisfactory to the Department is submitted that reasonably proves the existence of extenuating circumstances. For the purposes of this subsection, the term "extenuating circumstances" means circumstances wherein:
- (a) The person has recently relinquished his or her driver's license and has sold or otherwise disposed of his or her vehicle.
- (b) The vehicle has been determined to be inoperable and the person does not transfer the registration to a different vehicle.
- (c) The owner of the vehicle is seriously ill or has died and the guardians or survivors have sold or otherwise disposed of the vehicle.
- (d) Any other event occurs which the Department, by regulation, has defined to constitute an "extenuating circumstance" for the purposes of this subsection.
  - Sec. 16. NRS 482.500 is hereby amended to read as follows:
- 482.500 1. Except as otherwise provided in subsection 2 or 3 or specifically provided by statute, whenever upon application any duplicate or substitute certificate of registration, indicator, decal or number plate is issued, the following fees must be paid:
- 2. The following fees must be paid for any replacement number plate or set of plates issued for the following special license plates:

- (a) For any special plate issued pursuant to NRS 482.3667, 482.367002, 482.3672, 482.3675, 482.370 to 482.3755, inclusive, *and section 7 of this act*, 482.376 or 482.379 to 482.3818, inclusive, a fee of \$10.
- (b) For any special plate issued pursuant to NRS 482.368, 482.3765, 482.377 or 482.378, a fee of \$5.
- (c) Except as otherwise provided in paragraph (a) of subsection 1 of NRS 482.3824, for any souvenir license plate issued pursuant to NRS 482.3825 or sample license plate issued pursuant to NRS 482.2703, a fee equal to that established by the Director for the issuance of those plates.
- 3. A fee must not be charged for a duplicate or substitute of a decal issued pursuant to NRS 482.37635.
- 4. The fees which are paid for replacement number plates, duplicate number plates and decals displaying county names must be deposited with the State Treasurer for credit to the Motor Vehicle Fund and allocated to the Department to defray the costs of replacing or duplicating the plates and manufacturing the decals.
- Sec. 17. Chapter 630 of NRS is hereby amended by adding thereto a new section to read as follows:

The Board shall develop and disseminate annually to each licensed physician and physician assistant who cares for children information concerning the signs and symptoms of pediatric cancer.

- Sec. 18. NRS 630.253 is hereby amended to read as follows:
- 630.253 1. The Board shall, as a prerequisite for the:
- (a) Renewal of a license as a physician assistant; or
- (b) Biennial registration of the holder of a license to practice medicine,
- require each holder to submit evidence of compliance with the requirements for continuing education as set forth in regulations adopted by the Board.
  - 2. These requirements:
- (a) May provide for the completion of one or more courses of instruction relating to risk management in the performance of medical services.
- (b) Must provide for the completion of a course of instruction, within 2 years after initial licensure, relating to the medical consequences of an act of terrorism that involves the use of a weapon of mass destruction. The course must provide at least 4 hours of instruction that includes instruction in the following subjects:
  - (1) An overview of acts of terrorism and weapons of mass destruction;
  - (2) Personal protective equipment required for acts of terrorism;
- (3) Common symptoms and methods of treatment associated with exposure to, or injuries caused by, chemical, biological, radioactive and nuclear agents;
- (4) Syndromic surveillance and reporting procedures for acts of terrorism that involve biological agents; and
- (5) An overview of the information available on, and the use of, the Health Alert Network.

- (c) Must provide for the completion by a holder of a license to practice medicine of a course of instruction within 2 years after initial licensure that provides at least 2 hours of instruction on evidence-based suicide prevention and awareness as described in subsection 5.
- → The Board may thereafter determine whether to include in a program of continuing education additional courses of instruction relating to the medical consequences of an act of terrorism that involves the use of a weapon of mass destruction.
- 3. The Board shall encourage each holder of a license who treats or cares for persons who are more than 60 years of age to receive, as a portion of their continuing education, education in geriatrics and gerontology, including such topics as:
  - (a) The skills and knowledge that the licensee needs to address aging issues;
- (b) Approaches to providing health care to older persons, including both didactic and clinical approaches;
- (c) The biological, behavioral, social and emotional aspects of the aging process; and
- (d) The importance of maintenance of function and independence for older persons.
- 4. The Board shall encourage each holder of a license to practice medicine to receive, as a portion of his or her continuing education, training concerning methods for educating patients about how to effectively manage medications, including, without limitation, the ability of the patient to request to have the symptom or purpose for which a drug is prescribed included on the label attached to the container of the drug.
- 5. The Board shall require each holder of a license to practice medicine to receive as a portion of his or her continuing education at least 2 hours of instruction every 4 years on evidence-based suicide prevention and awareness, which may include, without limitation, instruction concerning:
- (a) The skills and knowledge that the licensee needs to detect behaviors that may lead to suicide, including, without limitation, post-traumatic stress disorder:
  - (b) Approaches to engaging other professionals in suicide intervention; and
- (c) The detection of suicidal thoughts and ideations and the prevention of suicide.
- 6. The Board shall encourage each holder of a license to practice medicine or as a physician assistant to receive, as a portion of his or her continuing education, training and education in the diagnosis of rare diseases, including, without limitation:
  - (a) Recognizing the symptoms of pediatric cancer; and
- (b) Interpreting family history to determine whether such symptoms indicate a normal childhood illness or a condition that requires additional examination.
- 7. A holder of a license to practice medicine may not substitute the continuing education credits relating to suicide prevention and awareness

required by this section for the purposes of satisfying an equivalent requirement for continuing education in ethics.

- [7.] 8. A holder of a license to practice medicine may substitute not more than 2 hours of continuing education credits in pain management or addiction care for the purposes of satisfying an equivalent requirement for continuing education in ethics.
  - [8.] 9. As used in this section:
  - (a) "Act of terrorism" has the meaning ascribed to it in NRS 202.4415.
  - (b) "Biological agent" has the meaning ascribed to it in NRS 202.442.
  - (c) "Chemical agent" has the meaning ascribed to it in NRS 202.4425.
  - (d) "Radioactive agent" has the meaning ascribed to it in NRS 202.4437.
- (e) "Weapon of mass destruction" has the meaning ascribed to it in NRS 202.4445.
  - Sec. 19. NRS 632.120 is hereby amended to read as follows:
  - 632.120 1. The Board shall:
  - (a) Adopt regulations establishing reasonable standards:
- (1) For the denial, renewal, suspension and revocation of, and the placement of conditions, limitations and restrictions upon, a license to practice professional or practical nursing or a certificate to practice as a nursing assistant or medication aide certified.
  - (2) Of professional conduct for the practice of nursing.
- (3) For prescribing and dispensing controlled substances and dangerous drugs in accordance with applicable statutes.
- (4) For the psychiatric training and experience necessary for an advanced practice registered nurse to be authorized to make the evaluations and examinations described in NRS 433A.160, 433A.240 and 433A.430 and the certifications described in NRS 433A.170, 433A.195 and 433A.200.
- (b) Prepare and administer examinations for the issuance of a license or certificate under this chapter.
- (c) Investigate and determine the eligibility of an applicant for a license or certificate under this chapter.
- (d) Carry out and enforce the provisions of this chapter and the regulations adopted pursuant thereto.
- (e) Develop and disseminate annually to each registered nurse who cares for children information concerning the signs and symptoms of pediatric cancer.
  - 2. The Board may adopt regulations establishing reasonable:
- (a) Qualifications for the issuance of a license or certificate under this chapter.
- (b) Standards for the continuing professional competence of licensees or holders of a certificate. The Board may evaluate licensees or holders of a certificate periodically for compliance with those standards.
- 3. The Board may adopt regulations establishing a schedule of reasonable fees and charges, in addition to those set forth in NRS 632.345, for:

- (a) Investigating licensees or holders of a certificate and applicants for a license or certificate under this chapter;
- (b) Evaluating the professional competence of licensees or holders of a certificate;
  - (c) Conducting hearings pursuant to this chapter;
  - (d) Duplicating and verifying records of the Board; and
- (e) Surveying, evaluating and approving schools of practical nursing, and schools and courses of professional nursing,
- → and collect the fees established pursuant to this subsection.
- 4. For the purposes of this chapter, the Board shall, by regulation, define the term "in the process of obtaining accreditation."
- 5. The Board may adopt such other regulations, not inconsistent with state or federal law, as may be necessary to carry out the provisions of this chapter relating to nursing assistant trainees, nursing assistants and medication aides certified.
- 6. The Board may adopt such other regulations, not inconsistent with state or federal law, as are necessary to enable it to administer the provisions of this chapter.
  - Sec. 20. NRS 632.343 is hereby amended to read as follows:
- 632.343 1. The Board shall not renew any license issued under this chapter until the licensee has submitted proof satisfactory to the Board of completion, during the 2-year period before renewal of the license, of 30 hours in a program of continuing education approved by the Board in accordance with regulations adopted by the Board. Except as otherwise provided in subsection 3, the licensee is exempt from this provision for the first biennial period after graduation from:
  - (a) An accredited school of professional nursing;
  - (b) An accredited school of practical nursing;
- (c) An approved school of professional nursing in the process of obtaining accreditation; or
- (d) An approved school of practical nursing in the process of obtaining accreditation.
- 2. The Board shall review all courses offered to nurses for the completion of the requirement set forth in subsection 1. The Board may approve nursing and other courses which are directly related to the practice of nursing as well as others which bear a reasonable relationship to current developments in the field of nursing or any special area of practice in which a licensee engages. These may include academic studies, workshops, extension studies, home study and other courses.
- 3. The program of continuing education required by subsection 1 must include:
- (a) For a person licensed as an advanced practice registered nurse, a course of instruction to be completed within 2 years after initial licensure that provides at least 2 hours of instruction on suicide prevention and awareness as described in subsection 5.

- (b) For each person licensed pursuant to this chapter, a course of instruction, to be completed within 2 years after initial licensure, relating to the medical consequences of an act of terrorism that involves the use of a weapon of mass destruction. The course must provide at least 4 hours of instruction that includes instruction in the following subjects:
  - (1) An overview of acts of terrorism and weapons of mass destruction;
  - (2) Personal protective equipment required for acts of terrorism;
- (3) Common symptoms and methods of treatment associated with exposure to, or injuries caused by, chemical, biological, radioactive and nuclear agents;
- (4) Syndromic surveillance and reporting procedures for acts of terrorism that involve biological agents; and
- (5) An overview of the information available on, and the use of, the Health Alert Network.
- → The Board may thereafter determine whether to include in a program of continuing education additional courses of instruction relating to the medical consequences of an act of terrorism that involves the use of a weapon of mass destruction.
- 4. The Board shall encourage each licensee who treats or cares for persons who are more than 60 years of age to receive, as a portion of their continuing education, education in geriatrics and gerontology, including such topics as:
  - (a) The skills and knowledge that the licensee needs to address aging issues;
- (b) Approaches to providing health care to older persons, including both didactic and clinical approaches;
- (c) The biological, behavioral, social and emotional aspects of the aging process; and
- (d) The importance of maintenance of function and independence for older persons.
- 5. The Board shall require each person licensed as an advanced practice registered nurse to receive as a portion of his or her continuing education at least 2 hours of instruction every 4 years on evidence-based suicide prevention and awareness or another course of instruction on suicide prevention and awareness that is approved by the Board which the Board has determined to be effective and appropriate.
- 6. The Board shall encourage each person licensed as an advanced practice registered nurse to receive, as a portion of his or her continuing education, training and education in the diagnosis of rare diseases, including, without limitation:
  - (a) Recognizing the symptoms of pediatric cancer; and
- (b) Interpreting family history to determine whether such symptoms indicate a normal childhood illness or a condition that requires additional examination.
  - 7. As used in this section:
  - (a) "Act of terrorism" has the meaning ascribed to it in NRS 202.4415.
  - (b) "Biological agent" has the meaning ascribed to it in NRS 202.442.

- (c) "Chemical agent" has the meaning ascribed to it in NRS 202.4425.
- (d) "Radioactive agent" has the meaning ascribed to it in NRS 202.4437.
- (e) "Weapon of mass destruction" has the meaning ascribed to it in NRS 202.4445.
- Sec. 21. Chapter 633 of NRS is hereby amended by adding thereto a new section to read as follows:

The Board shall develop and disseminate annually to each licensed osteopathic physician and physician assistant who cares for children information concerning the signs and symptoms of pediatric cancer.

- Sec. 22. NRS 633.471 is hereby amended to read as follows:
- 633.471 1. Except as otherwise provided in subsection 9 and NRS 633.491, every holder of a license issued under this chapter, except a temporary or a special license, may renew the license on or before January 1 of each calendar year after its issuance by:
  - (a) Applying for renewal on forms provided by the Board;
  - (b) Paying the annual license renewal fee specified in this chapter;
- (c) Submitting a list of all actions filed or claims submitted to arbitration or mediation for malpractice or negligence against the holder during the previous year;
- (d) Submitting evidence to the Board that in the year preceding the application for renewal the holder has attended courses or programs of continuing education approved by the Board in accordance with regulations adopted by the Board totaling a number of hours established by the Board which must not be less than 35 hours nor more than that set in the requirements for continuing medical education of the American Osteopathic Association; and
  - (e) Submitting all information required to complete the renewal.
- 2. The Secretary of the Board shall notify each licensee of the requirements for renewal not less than 30 days before the date of renewal.
- 3. The Board shall request submission of verified evidence of completion of the required number of hours of continuing medical education annually from no fewer than one-third of the applicants for renewal of a license to practice osteopathic medicine or a license to practice as a physician assistant. Upon a request from the Board, an applicant for renewal of a license to practice osteopathic medicine or a license to practice as a physician assistant shall submit verified evidence satisfactory to the Board that in the year preceding the application for renewal the applicant attended courses or programs of continuing medical education approved by the Board totaling the number of hours established by the Board.
- 4. The Board shall require each holder of a license to practice osteopathic medicine to complete a course of instruction within 2 years after initial licensure that provides at least 2 hours of instruction on evidence-based suicide prevention and awareness as described in subsection [7.] 8.
- 5. The Board shall encourage each holder of a license to practice osteopathic medicine to receive, as a portion of his or her continuing education,

training concerning methods for educating patients about how to effectively manage medications, including, without limitation, the ability of the patient to request to have the symptom or purpose for which a drug is prescribed included on the label attached to the container of the drug.

- 6. The Board shall encourage each holder of a license to practice osteopathic medicine or as a physician assistant to receive, as a portion of his or her continuing education, training and education in the diagnosis of rare diseases, including, without limitation:
  - (a) Recognizing the symptoms of pediatric cancer; and
- (b) Interpreting family history to determine whether such symptoms indicate a normal childhood illness or a condition that requires additional examination.
- 7. The Board shall require, as part of the continuing education requirements approved by the Board, the biennial completion by a holder of a license to practice osteopathic medicine of at least 2 hours of continuing education credits in ethics, pain management or addiction care.
- [7.] 8. The Board shall require each holder of a license to practice osteopathic medicine to receive as a portion of his or her continuing education at least 2 hours of instruction every 4 years on evidence-based suicide prevention and awareness which may include, without limitation, instruction concerning:
- (a) The skills and knowledge that the licensee needs to detect behaviors that may lead to suicide, including, without limitation, post-traumatic stress disorder;
  - (b) Approaches to engaging other professionals in suicide intervention; and
- (c) The detection of suicidal thoughts and ideations and the prevention of suicide.
- [8.] 9. A holder of a license to practice osteopathic medicine may not substitute the continuing education credits relating to suicide prevention and awareness required by this section for the purposes of satisfying an equivalent requirement for continuing education in ethics.
- [9.] 10. Members of the Armed Forces of the United States and the United States Public Health Service are exempt from payment of the annual license renewal fee during their active duty status.
- Sec. 23. The Rare Disease Advisory Council created by section 2 of this act shall meet not later than 90 days after the effective date of this section.
- Sec. 24. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
- Sec. 25. 1. This section and sections 1, 2, 3, 23 and 24 of this act become effective upon passage and approval.
  - 2. Sections 4 to 22, inclusive, of this act become effective:
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2020, for all other purposes.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 542 to Senate Bill No. 315 revises the membership of the Rare Disease Advisory Council to include the Chair of the Nevada Advisory Council on Palliative Care and Quality of Life, or his or her designee, and one representative of an organization dedicated to providing services to patients suffering from rare diseases in, each, from northern and southern Nevada. It aligns the collection of fees received for the special license plate to increase awareness of childhood cancer with similarly sponsored specialty license plates.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 362.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 211.

SUMMARY—Revises provisions concerning the placement of persons with dementia in a residential facility for groups. (BDR 40-611)

AN ACT relating to residential facilities; requiring [a] the administrator of a residential facility for groups to [meet certain requirements before accepting or retaining certain residents with Alzheimer's disease or other severe dementia;] ensure that certain assessments of residents are conducted; requiring a resident with severe dementia to be placed in a facility that meets certain requirements; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires the State Board of Health to adopt separate regulations governing the licensing of facilities for the care of adults during the day and residential facilities for groups which provide care to persons with Alzheimer's disease. (NRS 449.0302) Section  $\frac{131}{14}$  4 of this bill requires those regulations to also apply to such facilities which provide care to persons with other severe dementia. Section 1 of this bill requires the administrator of a residential facility for groups to annually: (1) cause [to be conducted] a physician to conduct a physical examination of each resident of the facility; and (2) conduct an assessment of the history of each resident. If the physical examination, the assessment of resident history or the observations of certain persons indicate that a resident requires a secure facility or a facility with a high staff-to-resident ratio, section 1 requires the administrator to cause a physician to conduct an assessment of the condition and needs of feach the resident. [believed to have early onset dementia and provide the results of the assessment to a physician. If the physician determines that the resident suffers from dementia to an extent that the resident may be a danger to himself or herself or others if not placed in a secure unit or a facility with a high staff-to-resident ratio, section 1 requires any residential facility in which the resident is placed to meet the requirements prescribed by the Board for a facility which provides care to persons with Alzheimer's disease or other severe dementia. Sections 2, 3 and 4-85 of this bill make conforming changes.

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

- Section 1. Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The administrator of a residential facility for groups shall <del>[cause to be conducted]</del>:
- (a) Annually cause a physician to conduct a physical examination of each resident of the facility:
- (b) Annually conduct an assessment of the history of each resident of the facility, which must include, without limitation, an assessment of the condition and daily activities of the resident during the immediately preceding year; and
- (c) Cause a physician to conduct an assessment of the condition and needs of <del>[each]</del> a resident <del>[believed to have early onset dementia and provide the results of the assessment to a physician.]</del> of the facility to determine whether the resident meets the criteria prescribed in paragraph (a) of subsection 2:
  - (1) Upon admission of the resident to the facility; and
- (2) If a physical examination, assessment of the history of a resident or the observations of the administrator or staff of the facility or the family of the resident indicate that the resident may meet those criteria.
- 2. If, as a result of [the] an assessment [+,+] conducted pursuant to paragraph (c) of subsection 1, the physician determines that the resident:
- (a) Suffers from dementia to an extent that the resident may be a danger to himself or herself or others if the resident is not placed in a secure unit or a facility that assigns [more than] not less than one staff member for every six residents, any residential facility for groups in which the resident is placed must meet the requirements prescribed by the Board pursuant to subsection 2 of NRS 449.0302 for the licensing and operation of residential facilities for groups which provide care to persons with Alzheimer's disease or other severe dementia.
- (b) Does not suffer from dementia as described in paragraph (a), the resident may be placed in any residential facility for groups.
  - Sec. 2. NRS 449.029 is hereby amended to read as follows:
- 449.029 As used in NRS 449.029 to 449.240, inclusive, *and section 1 of this act*, unless the context otherwise requires, "medical facility" has the meaning ascribed to it in NRS 449.0151 and includes a program of hospice care described in NRS 449.196.
  - Sec. 3. NRS 449.0301 is hereby amended to read as follows:
- 449.0301 The provisions of NRS 449.029 to 449.2428, inclusive, *and section 1 of this act* do not apply to:
- 1. Any facility conducted by and for the adherents of any church or religious denomination for the purpose of providing facilities for the care and treatment of the sick who depend solely upon spiritual means through prayer for healing in the practice of the religion of the church or denomination, except

that such a facility shall comply with all regulations relative to sanitation and safety applicable to other facilities of a similar category.

- 2. Foster homes as defined in NRS 424.014.
- 3. Any medical facility, facility for the dependent or facility which is otherwise required by the regulations adopted by the Board pursuant to NRS 449.0303 to be licensed that is operated and maintained by the United States Government or an agency thereof.
  - Sec. 4. NRS 449.0302 is hereby amended to read as follows:
  - 449.0302 1. The Board shall adopt:
- (a) Licensing standards for each class of medical facility or facility for the dependent covered by NRS 449.029 to 449.2428, inclusive, *and section 1 of this act* and for programs of hospice care.
  - (b) Regulations governing the licensing of such facilities and programs.
- (c) Regulations governing the procedure and standards for granting an extension of the time for which a natural person may provide certain care in his or her home without being considered a residential facility for groups pursuant to NRS 449.017. The regulations must require that such grants are effective only if made in writing.
- (d) Regulations establishing a procedure for the indemnification by the Division, from the amount of any surety bond or other obligation filed or deposited by a facility for refractive surgery pursuant to NRS 449.068 or 449.069, of a patient of the facility who has sustained any damages as a result of the bankruptcy of or any breach of contract by the facility.
- (e) Any other regulations as it deems necessary or convenient to carry out the provisions of NRS 449.029 to 449.2428, inclusive [.], and section 1 of this act.
- 2. The Board shall adopt separate regulations governing the licensing and operation of:
  - (a) Facilities for the care of adults during the day; and
  - (b) Residential facilities for groups,
- $\rightarrow$  which provide care to persons with Alzheimer's disease [...] or other severe dementia [...], as described in paragraph (a) of subsection 2 of section 1 of this act.
  - 3. The Board shall adopt separate regulations for:
- (a) The licensure of rural hospitals which take into consideration the unique problems of operating such a facility in a rural area.
- (b) The licensure of facilities for refractive surgery which take into consideration the unique factors of operating such a facility.
- (c) The licensure of mobile units which take into consideration the unique factors of operating a facility that is not in a fixed location.
- 4. The Board shall require that the practices and policies of each medical facility or facility for the dependent provide adequately for the protection of the health, safety and physical, moral and mental well-being of each person accommodated in the facility.

- 5. In addition to the training requirements prescribed pursuant to NRS 449.093, the Board shall establish minimum qualifications for administrators and employees of residential facilities for groups. In establishing the qualifications, the Board shall consider the related standards set by nationally recognized organizations which accredit such facilities.
- 6. The Board shall adopt separate regulations regarding the assistance which may be given pursuant to NRS 453.375 and 454.213 to an ultimate user of controlled substances or dangerous drugs by employees of residential facilities for groups. The regulations must require at least the following conditions before such assistance may be given:
- (a) The ultimate user's physical and mental condition is stable and is following a predictable course.
- (b) The amount of the medication prescribed is at a maintenance level and does not require a daily assessment.
- (c) A written plan of care by a physician or registered nurse has been established that:
- (1) Addresses possession and assistance in the administration of the medication; and
- (2) Includes a plan, which has been prepared under the supervision of a registered nurse or licensed pharmacist, for emergency intervention if an adverse condition results.
- (d) Except as otherwise authorized by the regulations adopted pursuant to NRS 449.0304, the prescribed medication is not administered by injection or intravenously.
- (e) The employee has successfully completed training and examination approved by the Division regarding the authorized manner of assistance.
- 7. The Board shall adopt separate regulations governing the licensing and operation of residential facilities for groups which provide assisted living services. The Board shall not allow the licensing of a facility as a residential facility for groups which provides assisted living services and a residential facility for groups shall not claim that it provides "assisted living services" unless:
- (a) Before authorizing a person to move into the facility, the facility makes a full written disclosure to the person regarding what services of personalized care will be available to the person and the amount that will be charged for those services throughout the resident's stay at the facility.
  - (b) The residents of the facility reside in their own living units which:
    - (1) Except as otherwise provided in subsection 8, contain toilet facilities;
    - (2) Contain a sleeping area or bedroom; and
- (3) Are shared with another occupant only upon consent of both occupants.
- (c) The facility provides personalized care to the residents of the facility and the general approach to operating the facility incorporates these core principles:

- (1) The facility is designed to create a residential environment that actively supports and promotes each resident's quality of life and right to privacy;
- (2) The facility is committed to offering high-quality supportive services that are developed by the facility in collaboration with the resident to meet the resident's individual needs;
- (3) The facility provides a variety of creative and innovative services that emphasize the particular needs of each individual resident and the resident's personal choice of lifestyle;
- (4) The operation of the facility and its interaction with its residents supports, to the maximum extent possible, each resident's need for autonomy and the right to make decisions regarding his or her own life;
- (5) The operation of the facility is designed to foster a social climate that allows the resident to develop and maintain personal relationships with fellow residents and with persons in the general community;
- (6) The facility is designed to minimize and is operated in a manner which minimizes the need for its residents to move out of the facility as their respective physical and mental conditions change over time; and
- (7) The facility is operated in such a manner as to foster a culture that provides a high-quality environment for the residents, their families, the staff, any volunteers and the community at large.
- 8. The Division may grant an exception from the requirement of subparagraph (1) of paragraph (b) of subsection 7 to a facility which is licensed as a residential facility for groups on or before July 1, 2005, and which is authorized to have 10 or fewer beds and was originally constructed as a single-family dwelling if the Division finds that:
- (a) Strict application of that requirement would result in economic hardship to the facility requesting the exception; and
  - (b) The exception, if granted, would not:
- (1) Cause substantial detriment to the health or welfare of any resident of the facility;
  - (2) Result in more than two residents sharing a toilet facility; or
  - (3) Otherwise impair substantially the purpose of that requirement.
- 9. The Board shall, if it determines necessary, adopt regulations and requirements to ensure that each residential facility for groups and its staff are prepared to respond to an emergency, including, without limitation:
- (a) The adoption of plans to respond to a natural disaster and other types of emergency situations, including, without limitation, an emergency involving fire;
- (b) The adoption of plans to provide for the evacuation of a residential facility for groups in an emergency, including, without limitation, plans to ensure that nonambulatory patients may be evacuated;
- (c) Educating the residents of residential facilities for groups concerning the plans adopted pursuant to paragraphs (a) and (b); and

- (d) Posting the plans or a summary of the plans adopted pursuant to paragraphs (a) and (b) in a conspicuous place in each residential facility for groups.
- 10. The regulations governing the licensing and operation of facilities for transitional living for released offenders must provide for the licensure of at least three different types of facilities, including, without limitation:
  - (a) Facilities that only provide a housing and living environment;
- (b) Facilities that provide or arrange for the provision of supportive services for residents of the facility to assist the residents with reintegration into the community, in addition to providing a housing and living environment; and
- (c) Facilities that provide or arrange for the provision of alcohol and drug abuse programs, in addition to providing a housing and living environment and providing or arranging for the provision of other supportive services.
- → The regulations must provide that if a facility was originally constructed as a single-family dwelling, the facility must not be authorized for more than eight beds.
- 11. As used in this section, "living unit" means an individual private accommodation designated for a resident within the facility.
  - Sec. 5. NRS 449.160 is hereby amended to read as follows:
- 449.160 1. The Division may deny an application for a license or may suspend or revoke any license issued under the provisions of NRS 449.029 to 449.2428, inclusive, *and section 1 of this act* upon any of the following grounds:
- (a) Violation by the applicant or the licensee of any of the provisions of NRS 439B.410 or 449.029 to 449.245, inclusive, *and section 1 of this act*, or of any other law of this State or of the standards, rules and regulations adopted thereunder.
  - (b) Aiding, abetting or permitting the commission of any illegal act.
- (c) Conduct inimical to the public health, morals, welfare and safety of the people of the State of Nevada in the maintenance and operation of the premises for which a license is issued.
- (d) Conduct or practice detrimental to the health or safety of the occupants or employees of the facility.
- (e) Failure of the applicant to obtain written approval from the Director of the Department of Health and Human Services as required by NRS 439A.100 or as provided in any regulation adopted pursuant to NRS 449.001 to 449.430, inclusive, *and section 1 of this act* and 449.435 to 449.531, inclusive, and chapter 449A of NRS if such approval is required.
  - (f) Failure to comply with the provisions of NRS 449.2486.
- 2. In addition to the provisions of subsection 1, the Division may revoke a license to operate a facility for the dependent if, with respect to that facility, the licensee that operates the facility, or an agent or employee of the licensee:
  - (a) Is convicted of violating any of the provisions of NRS 202.470;
- (b) Is ordered to but fails to abate a nuisance pursuant to NRS 244.360, 244.3603 or 268.4124; or

- (c) Is ordered by the appropriate governmental agency to correct a violation of a building, safety or health code or regulation but fails to correct the violation.
- 3. The Division shall maintain a log of any complaints that it receives relating to activities for which the Division may revoke the license to operate a facility for the dependent pursuant to subsection 2. The Division shall provide to a facility for the care of adults during the day:
- (a) A summary of a complaint against the facility if the investigation of the complaint by the Division either substantiates the complaint or is inconclusive;
- (b) A report of any investigation conducted with respect to the complaint; and
  - (c) A report of any disciplinary action taken against the facility.
- → The facility shall make the information available to the public pursuant to NRS 449.2486.
- 4. On or before February 1 of each odd-numbered year, the Division shall submit to the Director of the Legislative Counsel Bureau a written report setting forth, for the previous biennium:
- (a) Any complaints included in the log maintained by the Division pursuant to subsection 3; and
  - (b) Any disciplinary actions taken by the Division pursuant to subsection 2.
  - Sec. 6. NRS 449.163 is hereby amended to read as follows:
- 449.163 1. In addition to the payment of the amount required by NRS 449.0308, if a medical facility, facility for the dependent or facility which is required by the regulations adopted by the Board pursuant to NRS 449.0303 to be licensed violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, *and section 1 of this act*, or any condition, standard or regulation adopted by the Board, the Division, in accordance with the regulations adopted pursuant to NRS 449.165, may:
- (a) Prohibit the facility from admitting any patient until it determines that the facility has corrected the violation;
- (b) Limit the occupancy of the facility to the number of beds occupied when the violation occurred, until it determines that the facility has corrected the violation;
- (c) If the license of the facility limits the occupancy of the facility and the facility has exceeded the approved occupancy, require the facility, at its own expense, to move patients to another facility that is licensed;
- (d) Impose an administrative penalty of not more than \$5,000 per day for each violation, together with interest thereon at a rate not to exceed 10 percent per annum; and
- (e) Appoint temporary management to oversee the operation of the facility and to ensure the health and safety of the patients of the facility, until:
- (1) It determines that the facility has corrected the violation and has management which is capable of ensuring continued compliance with the applicable statutes, conditions, standards and regulations; or

- (2) Improvements are made to correct the violation.
- 2. If the facility fails to pay any administrative penalty imposed pursuant to paragraph (d) of subsection 1, the Division may:
- (a) Suspend the license of the facility until the administrative penalty is paid; and
- (b) Collect court costs, reasonable attorney's fees and other costs incurred to collect the administrative penalty.
- 3. The Division may require any facility that violates any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, *and section 1 of this act* or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.
- 4. Any money collected as administrative penalties pursuant to paragraph (d) of subsection 1 must be accounted for separately and used to administer and carry out the provisions of NRS 449.001 to 449.430, inclusive, and section 1 of this act, 449.435 to 449.530, inclusive, and 449.760 and chapter 449A of NRS to protect the health, safety, well-being and property of the patients and residents of facilities in accordance with applicable state and federal standards or for any other purpose authorized by the Legislature.
  - Sec. 7. NRS 449.240 is hereby amended to read as follows:
- 449.240 The district attorney of the county in which the facility is located shall, upon application by the Division, institute and conduct the prosecution of any action for violation of any provisions of NRS 449.029 to 449.245, inclusive [-], and section 1 of this act.
  - Sec. 8. NRS 654.190 is hereby amended to read as follows:
- 654.190 1. The Board may, after notice and an opportunity for a hearing as required by law, impose an administrative fine of not more than \$10,000 for each violation on, recover reasonable investigative fees and costs incurred from, suspend, revoke, deny the issuance or renewal of or place conditions on the license of, and place on probation or impose any combination of the foregoing on any licensee who:
- (a) Is convicted of a felony relating to the practice of administering a nursing facility or residential facility or of any offense involving moral turpitude.
  - (b) Has obtained his or her 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 449.029 to 449.2428, inclusive, *and section 1 of this act*, 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 licensees, including, without limitation, a code of ethics.
- (f) Engages in conduct that violates the trust of a patient or resident or exploits the relationship between the licensee and the patient or resident for the financial or other gain of the licensee.

- 2. If a licensee requests a hearing pursuant to subsection 1, the Board shall give the licensee written notice of a hearing pursuant to NRS 233B.121 and 241.034. A licensee may waive, in writing, his or her right to attend the hearing.
- 3. The Board may compel the attendance of witnesses or the production of documents or objects by subpoena. The Board may adopt regulations that set forth a procedure pursuant to which the Chair of the Board may issue subpoenas on behalf of the Board. Any person who is subpoenaed pursuant to this subsection may request the Board to modify the terms of the subpoena or grant additional time for compliance.
- 4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.
- 5. 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, 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. 9. This act becomes effective on July 1, 2019.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 211 to Senate Bill No. 362 requires the administrator of a certain residential facility for groups to ensure that certain assessments of residents are conducted.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 387.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 279.

SUMMARY—Revises provisions relating to [organ donation.] anatomical gifts. (BDR 40-882)

AN ACT relating to anatomical gifts; providing for the certification of [procurement] nontransplant anatomical donation organizations; requiring the collection of certain information relating to the procurement of [organs, tissues and eyes;] human bodies and parts; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law generally provides for the making of anatomical gifts and for the procurement of human organs, tissues and eyes by certain organizations. (NRS 451.500-451.598) Section 1 of this bill requires each [procurement] nontransplant anatomical donation organization in this State to be certified by the Division of Public and Behavioral Health of the Department of Health and Human Services, follow certain standards and guidelines established by the Division and report information relating to the <a href="https://doi.org/10.1007/journal.com/">https://doi.org/10.1007/journal.com/</a>

procured by the organization to the Division. Section 1 requires the standards and guidelines established by the Division to be substantially based upon federal and state laws and the standards and guidelines of certain organizations relating to the procurement of <a href="https://pumman.bodies.nd">https://pumman.bodies.nd</a> parts and requires the Division to seek the input of procurement organizations and nontransplant anatomical donation organizations in this State before establishing or revising such standards and guidelines. Section 1 also requires the Division to make certain information regarding the <a href="https://pumman.bodies.nd">https://pumman.bodies.nd</a> parts collected by <a href="https://procuremently.nontransplant.

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

Section 1. Chapter 451 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Each <del>[procurement]</del> <u>nontransplant anatomical donation</u> organization that procures a human body or part in this State shall:
  - (a) Be certified by the Division;
- (b) Follow the standards and guidelines established by the Division pursuant to subsection 2; and
- (c) Report to the Division, in a manner and frequency prescribed by the Division, the number and disposition of <u>human bodies or parts</u> procured by the <del>[procurement]</del> nontransplant anatomical donation organization.
- 2. The Division shall, by regulation, establish standards and guidelines for <code>[procurement]</code> nontransplant anatomical donation organizations. The standards and guidelines adopted by the Division must be substantially based upon federal laws and regulations relating to the procurement of <a href="https://human.bodies.org/marks">https://human.bodies.org/marks</a>, this section and NRS 451.500 to 451.598, inclusive, and the standards and guidelines of the <a href="https://human.bodies.org/marks">[Humited Network for Organ Sharing, the Association of Organ Procurement Organizations, NATCO, the Organization for Transplant Professionals, the]</a> American Association of Tissue Banks and the Eye Bank Association of America or their successor organizations.
- 3. Before adopting or amending any regulation pursuant to subsection 2, the Division shall seek input from each procurement organization <u>and nontransplant anatomical donation organization</u> in this State.
  - 4. The Division shall:
- (a) Collect and analyze information from each <del>[procurement]</del> nontransplant anatomical donation organization in this State on the number and disposition of <u>human bodies and parts procured by the <del>[procurement] nontransplant anatomical donation organization and make such information available to the Governor and the Legislature upon request:</u></del>

- (b) Monitor all [procurement] nontransplant anatomical donation organizations in this State for compliance with federal and state laws and regulations; and
- (c) Adopt any regulations necessary to carry out the provisions of this section [...], including without limitation, regulations that establish a fee for an application for the issuance or renewal of a certification as a nontransplant anatomical donation organization.
- 5. A person who engages in the activity of a nontransplant anatomical donation organization without being certified by the Division pursuant to this section or who violates the standards and guidelines adopted by the Division pursuant to subsection 2 is guilty of a category C felony and shall be punished as provided in NRS 193.130, or by a fine of not more than \$50,000, or by both fine and the punishment provided in NRS 193.130.
- 6. As used in this section <del>[,]</del>:
- (a) "Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.
- (b) "Nontransplant anatomical donation organization" means a person who engages in the recovery, screening, testing, processing, storage or distribution of human bodies or parts for a purpose other than transplantation, including, without limitation, education, research or the advancement of medical, dental or mortuary science.
  - Sec. 2. NRS 451.503 is hereby amended to read as follows:
- 451.503 NRS 451.500 to 451.598, inclusive, *and section 1 of this act* apply to an anatomical gift or amendment to, revocation of or refusal to make an anatomical gift, whenever made.
  - Sec. 3. NRS 451.510 is hereby amended to read as follows:
- 451.510 As used in NRS 451.500 to 451.598, inclusive, *and section 1 of this act*, unless the context otherwise requires, the words and terms defined in NRS 451.511 to 451.5545, inclusive, have the meanings ascribed to them in those sections.
  - Sec. 4. NRS 451.592 is hereby amended to read as follows:
- 451.592 1. A person that acts in accordance with NRS 451.500 to 451.598, inclusive, *and section 1 of this act* or with the applicable anatomical gift law of another state, or attempts in good faith to do so, is not liable for the act in a civil action, criminal prosecution or administrative proceeding.
- 2. Neither the person making an anatomical gift nor the donor's estate is liable for any injury or damage that results from the making or use of the gift.
- 3. In determining whether an anatomical gift has been made, amended or revoked under NRS 451.500 to 451.598, inclusive, *and section 1 of this act*, a person may rely upon representations of a natural person listed in paragraph (b), (c), (d), (e), (f), (g) or (h) of subsection 1 of NRS 451.566 relating to the natural person's relationship to the donor or prospective donor unless the person knows that the representation is untrue.
  - Sec. 5. NRS 451.593 is hereby amended to read as follows:
  - 451.593 1. A document of gift is valid if executed in accordance with:

- (a) The provisions of NRS 451.500 to 451.598, inclusive [;], and section 1 of this act;
  - (b) The laws of the state or country where it was executed; or
- (c) The laws of the state or country where the person making the anatomical gift was domiciled, has a place of residence or was a national at the time the document of gift was executed.
- 2. If a document of gift is valid under this section, the law of this State governs the interpretation of the document of gift.
- 3. A person may presume that a document of gift or amendment of an anatomical gift is valid unless that person knows that it was not validly executed or was revoked.
  - Sec. 6. NRS 451.594 is hereby amended to read as follows:
- 451.594 1. A person shall not create or maintain a donor registry unless the donor registry complies with the provisions of NRS 451.500 to 451.598, inclusive, *and section 1 of this act* and all other applicable provisions of federal and state law.
  - 2. A donor registry must:
- (a) Allow a donor or other person authorized under NRS 451.556 to include on the donor registry a statement or symbol that the donor has made, amended or revoked an anatomical gift;
- (b) Be accessible to a procurement organization to allow it to obtain relevant information on the donor registry to determine, at or near death of the donor or a prospective donor, whether the donor or prospective donor has made, amended or revoked an anatomical gift; and
- (c) Be accessible for purposes of paragraphs (a) and (b) 7 days a week on a 24-hour basis.
- 3. Personally identifiable information on a donor registry about a donor or prospective donor may not be used or disclosed without the express consent of the donor, prospective donor or person that made the anatomical gift for any purpose other than to determine, at or near death of the donor or prospective donor, whether the donor or prospective donor has made, amended or revoked an anatomical gift.
- 4. This section does not apply to a donor registry that is created to contain records of anatomical gifts and amendments to or revocations of anatomical gifts of only the whole body of a donor for the purpose of research or education.
  - Sec. 7. This act becomes effective on July 1, 2019.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 279 to Senate Bill No. 387 replaces references to the term "procurement organization" with the term "nontransplant anatomical donation organization" and defines this term to mean a person who engages in the recovery, screening, testing, processing, storage or distribution of human bodies or parts for a purposes other than transplantation, such as education, research or advancement of science. The amendment also clarifies that the bill applies to procurement of human bodies and parts and provides that a person who engages in the activity of

a nontransplant anatomical donation organization without certification is guilty of a category C felony and outlines appropriate penalties.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 390.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 276.

SUMMARY—Revises provisions governing the slaughtering of livestock. (BDR 51-258)

AN ACT relating to livestock; authorizing the State Quarantine Officer to adopt regulations [requiring] providing a process for the [owner or] operator of a farm or other facility that raises poultry to obtain a permit to slaughter and sell the poultry under certain circumstances; authorizing the State Quarantine Officer to adopt regulations [relating to the production, handling and sale of eggs in this State; authorizing the State Quarantine Officer to adopt regulations requiring the licensing of each] providing a process for a person to obtain a license to operate a custom [slaughter] processing establishment [and] or mobile [slaughter] processing unit in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, it is unlawful for any person to possess, with the intent to sell, the carcass of any fowl which is not processed in an establishment approved by the State Department of Agriculture or in accordance with poultry regulations adopted by the Department. (NRS 583.080) Existing law <del>frequires</del> the State Quarantine Officer to establish grades and standards for eggs and to adopt regulations as may be necessary for the enforcement of certain provisions governing eggs. (NRS 583.130) Existing lawl also prohibits a person from operating an official establishment for the commercial slaughter of meat animals unless the person receives a permit issued by the State Quarantine Officer. (NRS 583.453) Section 2 of this bill authorizes the State Quarantine Officer to adopt regulations <del>[requiring]</del> providing a process for the [owner or] operator of a farm or other facility that raises poultry to obtain a permit to slaughter and sell <del>[not more than 1,000]</del> raw poultry to a consumer at the farm or other facility [during a calendar year. Section 3 of this bill authorizes the State Quarantine Officer to adopt regulations relating to the production, handling and sale of eggs in this State. Section 4 of this bill authorizes the State Quarantine Officer to **frequire the licensing of each** adopt regulations providing a process for a person to obtain a license to operate a custom [slaughter] processing establishment [and] or mobile [slaughter] facility processing unit in this State. Any regulations adopted pursuant to section 2 or 4 must set forth the fees, if any, for the issuance or renewal of the license or permit. Sections 2 and 4 also set forth the circumstances under which a custom processing establishment or mobile processing unit shall be deemed to be an official establishment. Section 1.3 of this bill defines the term "custom processing establishment" and section 1.7 of this bill defines the term "mobile processing unit." Sections 5 [17] and 11-18 of this bill make conforming changes.

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

- Section 1. Chapter 583 of NRS is hereby amended by adding thereto the provisions set forth as sections  $\frac{2 \cdot 3}{1.3 \cdot 10^{1}} = \frac{1.3 \cdot 10^{1}}{1.3 \cdot 10^{1}$
- Sec. 1.3. "Custom processing establishment" means a fixed facility that slaughters or processes livestock or poultry for or upon request by the owner or person in lawful possession of the livestock or poultry at the facility. The term does not include an official establishment.
- Sec. 1.7. "Mobile processing unit" means any truck, trailer, van or other vehicle that is used to slaughter or process livestock or poultry for or upon request by the owner or person in lawful possession of the livestock or poultry at the owner's or person's farm or other facility or at a location approved by the Officer. The term does not include an official establishment.
- Sec. 2. 1. The State Quarantine Officer may adopt regulations [requiring] providing a process for the owner or operator of a farm or other facility that raises poultry to obtain a permit to slaughter and sell [not more than 1,000] raw poultry to a consumer at the farm or other facility [during a calendar year. Any permit required pursuant to this section is valid for 1 year after the date the permit is issued or renewed.] in this State.
- 2. Any regulations adopted pursuant to subsection 1 must set forth, without limitation:
  - (a) The requirements for the issuance or renewal of the permit;
  - (b) The fees, if any, for the issuance or renewal of the permit;
- (c) Any requirements relating to sanitation, including, without limitation, the use of any equipment or protective clothing; and
- (d) Any other requirements the State Quarantine Officer determines are necessary to carry out the provisions of this section, including, without limitation, the issuance of a stop sale order for a violation of any provision of this chapter or regulations adopted pursuant to this chapter.
- 3. If the State Quarantine Officer adopts any regulations pursuant to subsection 1 and the owner or operator of a farm or other facility is issued a permit pursuant to those regulations, the farm or other facility for which the permit is issued shall be deemed to be an official establishment for the purposes of NRS 583.255 to 583.555, inclusive, and sections 1.3, 1.7 and 4 of this act.
- Sec. 3. [In addition to any regulations adopted pursuant to NRS 583.130] the State Quarantine Officer may adopt regulations relating to the production handling and sale of eggs in this State. Any regulations adopted pursuant to this section may include, without limitation, provisions setting forth:

- 1. The requirements for packing, repacking, consolidation, refrigeration and storage of eggs by a retailer or wholesaler of eggs in this State;
- 2. The inspection of any facility used for the production of eggs in this State:
- 3. The requirements for determining when eggs are unfit for human consumption;
- 4. The requirements for the issuance and sale of certified seals to a producer of eggs in this State to brand his or her eggs as being produced in this State; and
- 5. Any other requirements that the State Quarantine Officer determines are necessary to earry out the provisions of this section, including, without limitation, the issuance of a stop sale order for a violation of any provision of this chapter or regulations adopted pursuant to this chapter.] (Deleted by amendment.)
- Sec. 4. 1. The Officer may adopt regulations [requiring the licensing of each] providing a process for a person to obtain a license to operate a custom [slaughter] processing establishment [and] or mobile [slaughter] processing unit in this State. [Any license issued or renewed pursuant to this section is valid for I year after the date the license is issued or renewed.]
- 2. Any regulations adopted pursuant to subsection 1 must set forth, without limitation:
  - (a) The requirements for the issuance or renewal of the license;
  - (b) The fees, if any, for the issuance or renewal of the license;
- (c) The requirements for operating the custom [slaughter] processing establishment or mobile [slaughter] processing unit, including, without limitation, standard operating procedures, sanitation, equipment, conditions, reporting, recordkeeping, labeling and packaging; and
- (d) Any other requirements the Officer determines are necessary to carry out the provisions of this section, including, without limitation, the issuance of a stop sale order for a violation of any provision of this chapter or regulations adopted pursuant to this chapter.

#### 3. [As used in this section:

- (a) "Custom slaughter establishment" means a fixed slaughtering facility that slaughters livestock for the owner of the livestock at the facility. The term does not include an official establishment.
- (b) "Mobile slaughter unit" means any truck, van or other motor vehicle that is used to slaughter livestock for the owner of the livestock at the owner's farm or other facility or at a location approved by the Officer. The term does not include an official establishment.] If the State Quarantine Officer adopts any regulations pursuant to subsection 1 and a person is issued a license to operate a custom processing facility or mobile processing unit pursuant to those regulations, the custom processing facility or mobile processing unit for which the license is issued shall be deemed to be an official establishment for the purposes of this section and NRS 583.255 to 583.555, inclusive, and sections 1.3 and 1.7 of this act.

- Sec. 5. NRS 583.080 is hereby amended to read as follows:
- 583.080 1. It shall be unlawful for any person, firm or corporation to possess, with intent to sell:
- (a) The carcass or part of any carcass of any fowl which has died from any cause other than being slaughtered in a sanitary manner;
- (b) The carcass or part of any carcass of any fowl that shows evidence of any disease, or that came from a sick or diseased fowl; or
- (c) The carcass or part of any carcass of any fowl not processed in an establishment approved by the Department or in accordance with poultry regulations adopted by the Department [..] or a permit issued pursuant to section 2 of this act.
- 2. Any person, firm or corporation violating any of the provisions of this section is subject to a civil penalty pursuant to NRS 583.700.
  - Sec. 6. [NRS 583.110 is hereby amended to read as follows:
- 583.110 As used in NRS 583.110 to 583.210, inclusive, and section 3 of this act, unless the context otherwise requires, the words and terms defined in NRS 583.111 to 583.120, inclusive, have the meanings ascribed to them in those sections.] (Deleted by amendment.)
  - Sec. 7. [NRS 583.130 is hereby amended to read as follows:
- 583.130 The State Quarantine Officer shall:
- 1. Enforce the provisions of NRS 583.110 to 583.210, inclusive [.], and section 3 of this act.
- 2. Make and fix grades and standards for eggs.
- 3. Make such rules and regulations as may be necessary for the enforcement of NRS 583.110 to 583.210, inclusive [.], and section 3 of this act.] (Deleted by amendment.)
  - Sec. 8. [NRS 583.140 is hereby amended to read as follows:
- 583.140 1. No person, firm or corporation shall sell, or offer or expose for sale, any egg unfit for human food unless the same is broken in shell and then denatured so that it cannot be used for human food.
- 2. For the purpose of NRS 583.110 to 583.210, inclusive, and section 3 of this act, an egg shall be deemed unfit for human food if:
- (a) It is addled or moldy:
- (b) If it contains black spots, black rot, white rot or blood streaks;
- -(c) If it has an adherent yolk or bloody or green white (albumen); or
- (d) If it consists in whole or in part of a filthy, decomposed or putrid substance.] (Deleted by amendment.)
- Sec. 9. INRS 583.160 is hereby amended to read as follows:
- 583.160 It shall be unlawful for any person, firm or corporation to represent, advertise or sell as fresh eggs any eggs that do not conform to the classifications provided for fresh eggs in NRS 583.110 to 583.210, inclusive [.], and section 3 of this act.] (Deleted by amendment.)
  - Sec. 10. [NRS 583.210 is hereby amended to read as follows:
- -583.210 Any person who violates any of the provisions of NRS 583.110 to 583.200, inclusive, and section 3 of this act is subject to a civil penalty

### pursuant to NRS 583.700.] (Deleted by amendment.)

- Sec. 11. NRS 583.255 is hereby amended to read as follows:
- 583.255 As used in NRS 583.255 to 583.555, inclusive, and <u>fsection</u> <u>sections 1.3, 1.7 and 4 of this act</u>, unless the context otherwise requires, the words and terms defined in NRS 583.265 to 583.429, inclusive, <u>and sections 1.3 and 1.7 of this act</u> have the meanings ascribed to them in those sections.
  - Sec. 12. NRS 583.439 is hereby amended to read as follows:
- 583.439 A person shall not, with respect to any poultry, cattle, sheep, swine, goats, horses, mules or other equines, rabbits, game mammals or birds, or any carcasses, parts of carcasses, meat or meat food products of any such animals:
- 1. Slaughter an animal or prepare an article which can be used as human food at any establishment preparing animals, carcasses or products for intrastate commerce, except in compliance with the provisions of NRS 583.255 to 583.555, inclusive [.], and [section] sections 1.3, 1.7 and 4 of this act.
- 2. Sell, transport, offer for sale or transportation or receive for transportation in intrastate commerce any such articles which:
  - (a) Are capable of use as human food;
- (b) Are adulterated or misbranded at the time of the sale, transportation, offer for sale or transportation, or receipt for transportation; or
- (c) Are required to be inspected pursuant to the provisions of this Title, 

  → unless they have been so inspected and passed.
- 3. Do, with respect to any such articles which are capable of use as human food, any act while they are being transported in intrastate commerce or held for sale after transportation which is intended to cause or has the effect of causing any article to be adulterated or misbranded.
  - Sec. 13. NRS 583.469 is hereby amended to read as follows:
- 583.469 1. No article subject to the provisions of NRS 583.255 to 583.555, inclusive, and *[section]* sections 1.3, 1.7 and 4 of this act shall be sold or offered for sale by any person, firm or corporation, in intrastate commerce, under any name or other marking or labeling which is false or misleading, or in any container of a misleading form or size, but established trade names and other markings and labeling and containers which are not false or misleading and which are approved by the Officer are permitted.
- 2. If the Officer has reason to believe any person, firm or corporation is violating subsection 1, the Officer may direct that such practice be stopped.
- 3. If such person, firm or corporation using or proposing to use such marking, labeling or container objects to the direction of the Officer, the person, firm or corporation may request a hearing, but the use of such marking, labeling or container shall, if the Officer so directs, be withheld pending the hearing and final determination by the Officer.
- 4. Any final determination by the Officer shall be conclusive unless, within 30 days after receipt of notice of such determination, the person, firm or corporation adversely affected thereby appeals to the district court for the

county in which such person, firm or corporation has its principal place of business.

Sec. 14. NRS 583.475 is hereby amended to read as follows:

583.475 It is unlawful for any person:

- 1. To process, sell or offer for sale, transport or deliver or receive for transportation, in intrastate commerce, any livestock or poultry carcass or part thereof unless such article has been inspected and unless the article and its shipping container and immediate container, if any, are marked in accordance with the requirements of NRS 583.255 to 583.555, inclusive, and *[section] sections 1.3, 1.7 and 4 of this act* or the Wholesome Meat Act or the Wholesome Poultry Products Act.
- 2. To sell or otherwise dispose of, for human food, any livestock or poultry carcass or part thereof which has been inspected and declared to be adulterated in accordance with NRS 583.255 to 583.555, inclusive, *and [section] sections 1.3, 1.7 and 4 of this act* or which is misbranded.
- 3. Falsely to make or issue, alter, forge, simulate or counterfeit or use without proper authority any official inspection certificate, memorandum, mark or other identification, or device for making such mark or identification, used in connection with inspection in accordance with NRS 583.255 to 583.555, inclusive, and <del>[section]</del> sections 1.3, 1.7 and 4 of this act, or cause, procure, aid, assist in, or be a party to such false making, issuing, altering, forging, simulating, counterfeiting or unauthorized use, or knowingly to possess, without promptly notifying the Officer or the Officer's representative, utter, publish or use as true, or cause to be uttered, published or used as true, any such falsely made or issued, altered, forged, simulated or counterfeited official inspection certificate, memorandum, mark or other identification, or device for making such mark or identification, or to represent that any article has been officially inspected in accordance with NRS 583.255 to 583.555, inclusive, and <del>[section]</del> sections 1.3, 1.7 and 4 of this act when such article has in fact not been so inspected, or knowingly to make any false representations in any certificate prescribed by the Officer or any form resembling any such certificate.
- 4. To misbrand or do an act intending to misbrand any livestock or poultry carcass or part thereof, in intrastate commerce.
- 5. To use any container bearing an official inspection mark unless the article contained therein is in the original form in which it was inspected and covered by such mark unless the mark is removed, obliterated or otherwise destroyed.
  - 6. To refuse at any reasonable time to permit access:
- (a) By the Officer or his or her agents to the premises of an establishment in this state where carcasses of livestock or poultry, or parts thereof, are processed for intrastate commerce.
- (b) By the Secretary of Agriculture or the Secretary's representative to the premises of any establishment specified in paragraph (a), for inspection and the taking of reasonable samples.

- 7. To refuse to permit access to and the copying of any record as authorized by NRS 583.485.
- 8. To use for personal advantage, or reveal, other than to the authorized representatives of any state agency in their official capacity, or to the courts when relevant in any judicial proceeding, any information acquired under the authority of NRS 583.255 to 583.555, inclusive, and <u>fsection</u> sections 1.3, 1.7 and 4 of this act concerning any matter which as a trade secret is entitled to protection.
- 9. To deliver, receive, transport, sell or offer for sale or transportation in intrastate commerce, for human consumption, any uneviscerated slaughtered poultry, or any livestock or poultry carcass or part thereof which has been processed in violation of any requirements under NRS 583.255 to 583.555, inclusive, and [section] sections 1.3, 1.7 and 4 of this act, except as may be authorized by and pursuant to rules and regulations prescribed by the Officer.
- 10. To apply to any livestock or poultry carcass or part thereof, or any container thereof, any official inspection mark or label required by NRS 583.255 to 583.555, inclusive, and *[section]* sections 1.3, 1.7 and 4 of this act, except by, or under the supervision of, an inspector.
  - Sec. 15. NRS 583.495 is hereby amended to read as follows:
- 583.495 1. A person who violates any of the provisions of NRS 583.475 and 583.485:
- (a) For a first violation, is subject to a civil penalty pursuant to NRS 583.700.
- (b) For a second violation, is guilty of a gross misdemeanor and subject to a civil penalty pursuant to NRS 583.700.
- (c) For a third or subsequent violation, is guilty of a category D felony and shall be punished as provided in NRS 193.130 and subject to a civil penalty pursuant to NRS 583.700.
- 2. When construing or enforcing the provisions of NRS 583.255 to 583.555, inclusive, and *[section]* sections 1.3, 1.7 and 4 of this act, the act, omission or failure of a person acting for or employed by an individual, partnership, corporation, association or other business unit, within the scope of the person's employment or office, shall in every case be deemed the act, omission or failure of the individual, partnership, corporation, association or other business unit, as well as of the person.
- 3. A carrier is not subject to the penalties imposed by this section by reason of the carrier's receipt, carriage, holding or delivery, in the usual course of business as a carrier, of livestock or poultry carcasses or parts thereof owned by another person, unless the carrier:
- (a) Has knowledge, or is in possession of facts which would cause a reasonable person to believe, that the articles do not comply with the provisions of NRS 583.255 to 583.555, inclusive [.], and [section]] sections 1.3, 1.7 and 4 of this act.
- (b) Refuses to furnish, on request of a representative of the Officer, the name and address of the person from whom the carrier received the livestock

or poultry carcasses, or parts thereof, and copies of all documents pertaining to the delivery of such carcasses, or parts thereof, to the carrier.

- 4. A person, firm or corporation is not subject to the penalties imposed by this section for receiving for transportation any shipment in violation of NRS 583.255 to 583.555, inclusive, and [section] sections 1.3, 1.7 and 4 of this act if the receipt was made in good faith, unless the person, firm or corporation refuses to furnish on request of a representative of the Officer:
- (a) The name and address of the person from whom such shipment was received; and
- (b) Copies of all documents pertaining to the delivery of the shipment to the person, firm or corporation.
  - Sec. 16. NRS 583.529 is hereby amended to read as follows:
- 583.529 1. Whenever any carcass, part of a carcass, meat or meat food product of poultry, cattle, sheep, swine, goats, horses, mules or other equines, or any product exempted from the definition of a meat food product, or any dead, dying, disabled or diseased poultry, cattle, sheep, swine, goat or equine is found by any authorized representative of the Officer upon any premises where it is held for purposes of, or during or after distribution in, intrastate commerce or otherwise subject to NRS 583.255 to 583.555, inclusive, and *[section] sections 1.3, 1.7 and 4 of this act* and there is reason to believe that any such article is adulterated or misbranded and is capable of use as human food, or that it has not been inspected, in violation of the provisions of NRS 583.255 to 583.555, inclusive, and *[section] sections 1.3, 1.7 and 4 of this act*, it may be detained by such representative for a period not to exceed 20 days, pending further investigation, and shall not be moved by any person, firm or corporation from the place at which it is located when so detained, until released by such representative.
- 2. All official marks may be required by such representative to be removed from such article or animal before it is released unless it appears to the satisfaction of the Officer that the article or animal is eligible to retain such marks.
  - Sec. 17. NRS 583.549 is hereby amended to read as follows:
- 583.549 The district courts of this state are vested with jurisdiction specifically to enforce and to prevent and restrain violations of NRS 583.255 to 583.555, inclusive [...], and [section] sections 1.3, 1.7 and 4 of this act.

Sec. 18. This act becomes effective:

- 1. Upon passage and approval for the purposes of adopting regulations and any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - 2. On July 1, 2019, for all other purposes.

Senator Hansen moved the adoption of the amendment.

Remarks by Senator Hansen.

Amendment No. 276 to Senate Bill No. 390 clarifies that the State Quarantine Officer may adopt regulations providing a process for the operator of a farm or facility that raises poultry to obtain a permit to process and sell raw poultry; eliminates the calendar year sales limit of 1,000

raw poultry by certain farms and facilities; deletes the authorization for the State Quarantine Officer to adopt regulations relating to the production handling and sale of eggs; authorizes the State Quarantine Officer to adopt regulations providing a process for a person to obtain a license to operate a custom processing establishment or mobile processing unit in the State, and defines and sets forth the circumstances under which a custom processing establishment or mobile processing unit shall be deemed to be an official establishment. The title of State Quarantine Officer is one of the many hats worn by the Director of the Department of Agriculture.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 408.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 326.

SUMMARY—Revises provisions relating to public safety. (BDR 43-805)

AN ACT relating to public safety; revising provisions relating to motorcycles, trimobiles and mopeds; revising provisions relating to the duties of a pedestrian at certain intersections; revising provisions relating to the imposition by a court of the requirement to install an ignition interlock device for certain convictions; requiring the driver and passenger on a trimobile or a moped to wear protective headgear; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 1 and 6 of this bill clarify that, for the purposes of vehicle registration and traffic laws, a vehicle designed to travel with three wheels in contact with the ground must be equipped with handlebars and a saddle seat to meet the definition of "trimobile." (NRS 482.129, 486.057)

[ Under existing law, a person who registers a motorcycle, other than a trimobile, must pay an additional fee of \$6 for motorcycle safety. (NRS 482.480) Section 2 of this bill requires that the same additional fee be paid by a person who registers a trimobile or a moped.]

Existing law requires a person driving a motorcycle, other than a trimobile or a moped, to [have a motorcycle driver's license or a driver's license with a motorcycle endorsement, and to] wear protective headgear. (NRS [486.061,] 486.231) Section [7 of this bill requires the driver of a trimobile to have a motorcycle driver's license or a driver's license with a motorcycle endorsement, and section] 8 of this bill requires a driver or a passenger on a trimobile or a moped to wear protective headgear.

Existing law requires the Department of Motor Vehicles to establish the Program for the Education of Motorcycle Riders, which provides courses in motorcycle safety. (NRS 486.372, 486.374) Certain persons in this State who hold a motorcycle driver's license or a driver's license with a motorcycle endorsement are eligible to enroll in the Program. (NRS 486.373) Section 9 of this bill authorizes the Program to include instruction applicable to a trimobile

or a moped and section 10 of this bill makes a person who holds a driver's license eligible to enroll in the Program.

Existing law provides requirements for pedestrians crossing a highway of this State when certain signals are in place exhibiting the words "Walk," "Wait" or "Don't Walk." (NRS 484B.283) Section 3 of this bill clarifies that, when a countdown timer is included with such signals, a pedestrian may cross a roadway when such a signal is flashing, so long as the pedestrian completes the crossing before the countdown timer reaches zero. Section 3 also revises references to include certain symbols displayed on such signals, including a walking person symbol and an upraised hand symbol.

Under existing law a court must order a person who is convicted of certain offenses involving driving a motor vehicle while under the influence of intoxicating liquor, a controlled substance or a combination of both, to install an ignition interlock device. (NRS 484C.460) The interlock ignition device must be installed for a period of not less than 185 days unless: (1) the violation was punishable as a felony or vehicular homicide; (2) the person proximately caused the death of or substantial bodily injury to another; or (3) the person was found to have had a concentration of alcohol of 0.18 or more in his or her breath. If any of those conditions are present the interlock ignition device must be installed for a period of not less than 12 months or more than 36 months. Section 4 of this bill clarifies that such a person is only required to install the ignition interlock device for the longer time period if one of the conditions listed above is present. The result of the change is that regardless of whether or not a blood or breath test was administered, or whether the results or lack of results was used in the prosecution or defense of the person, so long as none of the conditions listed above are present, he or she is eligible for the shorter period of required use of an ignition interlock device [], which section 4 requires to be 185 days.

Existing law provides several exceptions to the requirement for installing an ignition interlock device upon a conviction if a court makes certain determinations. (NRS 484C.460) Section 4 eliminates from the list of exceptions a determination by the court that: (1) requiring the person to install a device would cause the person to experience an economic hardship; (2) the person requires the use of the motor vehicle to travel to and from work in the scope of his or her employment; or (3) the person requires the use of the motor vehicle to obtain medicine, food or other necessities or to obtain health care services for the person or a family member of the person.

Finally, existing law requires the manufacturer of an ignition interlock device or an agent of the manufacturer to notify the Director of the Department if the device has been tampered with. (NRS 484C.460) Existing law also requires the Director, or the Director of the Department of Public Safety, to notify a court that has ordered an ignition interlock device if certain irregularities occurred with the device. (NRS 484C.460, 484C.470) Sections 4 and 5 of this bill require the manufacturer of the device or its agent to also notify the court in such circumstances.

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

Section 1. NRS 482.129 is hereby amended to read as follows:

- 482.129 "Trimobile" means every motor vehicle *equipped with handlebars and a saddle seat and* designed to travel with three wheels in contact with the ground, at least one of which is power driven. The term does not include a motorcycle with a sidecar.
- Sec. 2. INRS 482.480 is hereby amended to read as follows:
- 482.480 There must be paid to the Department for the registration or the transfer or reinstatement of the registration of motor vehicles, trailers and semitrailers, fees according to the following schedule:
- 1. Except as otherwise provided in this section, for each stock passenger car and each reconstructed or specially constructed passenger car registered to a person, regardless of weight or number of passenger capacity, a fee for registration of \$33.
- 2. Except as otherwise provided in subsection 3:
- (a) For each of the fifth and sixth such cars registered to a person, a fee for registration of \$16.50.
- —(b) For each of the seventh and eighth such ears registered to a person, a fee for registration of \$12.
- (e) For each of the ninth or more such ears registered to a person, a fee for registration of \$8.
- 3. The fees specified in subsection 2 do not apply:
- (a) Unless the person registering the cars presents to the Department at the time of registration the registrations of all the cars registered to the person.
- (b) To ears that are part of a fleet.
- 4. For every motorcycle, a fee for registration of \$33 and [for each motorcycle other than a trimobile,] an additional fee of \$6 for motorcycle safety. The additional fee must be deposited in the State General Fund for credit to the Account for the Program for the Education of Motorcycle Riders created by NRS 486.372.
- 5. For every moped, a one time fee for registration of \$33 [.] and an additional fee of \$6 for motorcycle safety. The additional fee must be deposited in the State General Fund for credit to the Account for the Program for the Education of Motorcycle Riders created by NRS 486.372.
- 6. For each transfer of registration, a fee of \$6 in addition to any other fees.
- 7. Except as otherwise provided in subsection 6 of NRS 485.317, to reinstate the registration of a motor vehicle that is suspended pursuant to that section:
- (a) A fee as specified in NRS 482.557 for a registered owner who failed to have insurance on the date specified by the Department, which fee is in addition to any fine or penalty imposed pursuant to NRS 482.557; or
- (b) A fee of \$50 for a registered owner of a dormant vehicle who cancelled the insurance coverage for that vehicle or allowed the insurance coverage for

that vehicle to expire without first cancelling the registration for the vehicle in accordance with subsection 3 of NRS 485.320.

- → both of which must be deposited in the Account for Verification of Insurance which is hereby created in the State Highway Fund. The money in the Account must be used to carry out the provisions of NRS 485.313 to 485.318. inclusive.
- 8. For every travel trailer, a fee for registration of \$27.
- 9. For every permit for the operation of a golf cart, an annual fee of \$10.
- 10. For every low-speed vehicle, as that term is defined in NRS 484B.637, a fee for registration of \$33.
- 11. To reinstate the registration of a motor vehicle that is suspended pursuant to NRS 482.451 or 482.458, a fee of \$33.
- 12. For each vehicle for which the registered owner has indicated his or her intention to opt in to making a contribution pursuant to paragraph (h) of subsection 3 of NRS 482.215 or subsection 4 of NRS 482.280, a contribution of \$2. The contribution must be distributed to the appropriate county pursuant to NRS 482.1825.] (Deleted by amendment.)
  - Sec. 3. NRS 484B.283 is hereby amended to read as follows:
- 484B.283 1. Except as otherwise provided in NRS 484B.287, 484B.290 and 484B.350:
- (a) When official traffic-control devices are not in place or not in operation, the driver of a vehicle shall yield the right-of-way, slowing down or stopping if need be so to yield, to a pedestrian crossing the highway within a crosswalk when the pedestrian is upon the half of the highway upon which the vehicle is traveling [], or onto which the vehicle is turning, or when the pedestrian is approaching so closely from the opposite half of the highway as to be in danger.
- (b) A pedestrian shall not suddenly leave a curb or other place of safety and walk or run into the path of a vehicle which is so close that it is impossible for the driver to yield.
- (c) Whenever a vehicle is stopped at a marked crosswalk or at an unmarked crosswalk at an intersection, the driver of any other vehicle approaching from the rear shall not overtake and pass the stopped vehicle until the driver has determined that the vehicle being overtaken was not stopped for the purpose of permitting a pedestrian to cross the highway.
- (d) Whenever signals exhibiting the words "Walk," [" or] "Don't Walk," ["] "Wait" or similar symbols are in place, such signals indicate as follows:
- (1) While the "Walk" indication *or walking person symbol* is illuminated, pedestrians facing the signal may proceed across the highway in the direction of the signal and must be given the right-of-way by the drivers of all vehicles.
- (2) While the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated, [either steady or ] is flashing [,] and is accompanied by a countdown timer, a pedestrian [shall not start to cross] may proceed across the highway in the direction of the signal, but [any pedestrian who has partially

completed] must complete the crossing [during the "Walk" indication shall proceed to a sidewalk, or to a safety zone if one is provided.

- (3) Whenever the word "Wait" still appears in a signal, the indication has the same meaning as assigned in this section to the "Don't Walk" indication.
- (4) Whenever a signal system provides a signal phase for the stopping of all vehicular traffic and the exclusive movement of pedestrians, and "Walk" and "Don't Walk" indications control pedestrian movement, pedestrians may cross in any direction between corners of the intersection offering the shortest route within the boundaries of the intersection when the "Walk" indication is exhibited, and when signals and other official traffic control devices direct pedestrian movement in the manner provided in this section and in NRS 484B.307.] before the countdown timer gets to zero.
- (3) While the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated and flashing but is not accompanied by a countdown timer, a pedestrian may not proceed to cross the highway, but a pedestrian who entered the highway lawfully pursuant to subparagraph (1) may continue to cross the highway but must proceed to a <u>curb</u>, sidewalk, <del>[or a]</del> safety zone if one is provided <del>[,]</del> or other place of safety before the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated and steady.
- (4) While the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated and steady a pedestrian may not proceed to cross the highway, but a pedestrian who entered the highway lawfully pursuant to subparagraph (1) or (2) may continue to cross the highway but must proceed to a <u>curb</u>, sidewalk, <del>[or a]</del> safety zone if one is provided <del>[;]</del> or other place of safety as soon as possible.
- 2. If, while violating paragraph (a) or (c) of subsection 1, the driver of a motor vehicle is the proximate cause of a collision with a pedestrian, the driver is subject to the additional penalty set forth in subsection 4 of NRS 484B.653.
- 3. A person who violates any provision of subsection 1 may be subject to the additional penalty set forth in NRS 484B.135.
- 4. As used in this section, "half of the highway" means all traffic lanes of a highway which are designated for traffic traveling in one direction, and includes the entire highway in the case of a one-way highway.
  - Sec. 4. NRS 484C.460 is hereby amended to read as follows:
- 484C.460 1. Except as otherwise provided in subsections 2 and 5, a court shall order a person convicted of:
- (a) [A] Except as otherwise provided in paragraph (b), a violation of paragraph (a), (b) or (c) of subsection 1 or paragraph (b) of subsection 2 of NRS 484C.110 that is punishable pursuant to paragraph (a) or (b) of subsection 1 of NRS 484C.400, [if the person is found to have had a concentration of alcohol of less than 0.18 in his or her blood or breath,] to install, at his or her own expense and for a period of [not less than] 185 days, a device in any motor vehicle which the person operates as a condition to obtaining a restricted license pursuant to NRS 483.490 or as a condition of reinstatement of the driving privilege of the person.

- (b) A violation of:
- (1) NRS 484C.110 that is punishable pursuant to paragraph (a) or (b) of subsection 1 of NRS 484C.400, if the person is found to have had a concentration of alcohol of 0.18 or more in his or her blood or breath;
- (2) NRS 484C.110 or 484C.120 that is punishable as a felony pursuant to NRS 484C.400 or 484C.410; or
  - (3) NRS 484C.130 or 484C.430,
- → to install, at his or her own expense and for a period of not less than 12 months or more than 36 months, a device in any motor vehicle which the person operates as a condition to obtaining a restricted license pursuant to NRS 483.490 or as a condition of reinstatement of the driving privilege of the person.
- 2. A court may, in the interests of justice, provide for an exception to the provisions of subsection 1 for a person who is convicted of a violation of NRS 484C.110 that is punishable pursuant to paragraph (a) of subsection 1 of NRS 484C.400, [to avoid undue hardship to the person] if the court determines that:
- (a) [Requiring the person to install a device in a motor vehicle which the person owns or operates would cause the person to experience an economic hardship;
- (b) The person requires the use of the motor vehicle to:
- (1) Travel to and from work or in the course and scope of his or her employment; or
- (2) Obtain medicine, food or other necessities or to obtain health care services for the person or another member of the person's immediate family;
- $\frac{-(c)}{}$  The person is unable to provide a deep lung breath sample for a device, as certified in writing by a physician of the person; or
- $\frac{\{(d)\}}{\{(d)\}}$  (b) The person resides more than 100 miles from a manufacturer of a device or its agent.
  - 3. If the court orders a person to install a device pursuant to subsection 1:
- (a) The court shall immediately prepare and transmit a copy of its order to the Director. The order must include a statement that a device is required and the specific period for which it is required. The Director shall cause this information to be incorporated into the records of the Department and noted as a restriction on the person's driver's license.
- (b) The person who is required to install the device shall provide proof of compliance to the Department before the person may receive a restricted license or before the driving privilege of the person may be reinstated, as applicable. Each model of a device installed pursuant to this section must have been certified by the Committee on Testing for Intoxication.
- 4. A person whose driving privilege is restricted pursuant to this section or NRS 483.490 shall have the device inspected, calibrated, monitored and maintained by the manufacturer of the device or its agent at least one time each 90 days during the period in which the person is required to use the device to determine whether the device is operating properly. Any inspection,

calibration, monitoring or maintenance required pursuant to this subsection must be conducted in accordance with regulations adopted pursuant to NRS 484C.480. The manufacturer or its agent shall submit a report to the Director indicating whether the device is operating properly, whether any of the incidents listed in subsection 1 of NRS 484C.470 have occurred and whether the device has been tampered with. If the device has been tampered with, the Director and the manufacturer or its agent shall notify the court that ordered the installation of the device. Upon receipt of such notification and before the court imposes a penalty pursuant to subsection 3 of NRS 484C.470, the court shall afford any interested party an opportunity for a hearing after reasonable notice.

- 5. If a person is required to operate a motor vehicle in the course and scope of his or her employment and the motor vehicle is owned by the person's employer, the person may operate that vehicle without the installation of a device, if:
- (a) The employee notifies his or her employer that the employee's driving privilege has been so restricted; and
- (b) The employee has proof of that notification in his or her possession or the notice, or a facsimile copy thereof, is with the motor vehicle.
- This exemption does not apply to a motor vehicle owned by a business which is all or partly owned or controlled by the person otherwise subject to this section.
- 6. The running of the period during which a person is required to have a device installed pursuant to this section commences when the Department issues a restricted license to the person or reinstates the driving privilege of the person and is tolled whenever and for as long as the person is, with regard to a violation of NRS 484C.110, 484C.120, 484C.130 or 484C.430, imprisoned, serving a term of residential confinement, placed under the supervision of a treatment provider, on parole or on probation.
  - Sec. 5. NRS 484C.470 is hereby amended to read as follows:
- 484C.470 1. The court may extend the order of a person who is required to install a device pursuant to NRS 484C.210 or 484C.460, not to exceed one-half of the period during which the person is required to have a device installed, if the court receives from the Director of the Department of Public Safety or the manufacturer of the device or its agent a report that 4 consecutive months prior to the date of release any of the following incidents occurred:
- (a) Any attempt by the person to start the vehicle with a concentration of alcohol of 0.04 or more in his or her breath unless a subsequent test performed within 10 minutes registers a concentration of alcohol lower than 0.04 and the digital image confirms the same person provided both samples;
- (b) Failure of the person to take any random test unless a review of the digital image confirms that the vehicle was not occupied by the person at the time of the missed test;
- (c) Failure of the person to pass any random retest with a concentration of alcohol of 0.025 or lower in his or her breath unless a subsequent test

performed within 10 minutes registers a concentration of alcohol lower than 0.025, and the digital image confirms the same person provided both samples;

- (d) Failure of the person to have the device inspected, calibrated, monitored and maintained by the manufacturer or its agent pursuant to subsection 4 of NRS 484C.460; or
- (e) Any attempt by the person to operate a motor vehicle without a device or tamper with the device.
- 2. A person required to install a device pursuant to NRS 484C.210 or 484C.460 shall not operate a motor vehicle without a device or tamper with the device.
  - 3. A person who violates any provision of subsection 2:
- (a) Must have his or her driving privilege revoked in the manner set forth in subsection 4 of NRS 483.460; and
  - (b) Shall be:
- (1) Punished by imprisonment in jail for not less than 30 days nor more than 6 months; or
- (2) Sentenced to a term of not less than 60 days in residential confinement nor more than 6 months, and by a fine of not less than \$500 nor more than \$1,000.
- → No person who is punished pursuant to this section may be granted probation, and no sentence imposed for such a violation may be suspended. No prosecutor may dismiss a charge of such a violation in exchange for a plea of guilty, guilty but mentally ill or nolo contendere to a lesser charge or for any other reason unless, in the judgment of the attorney, the charge is not supported by probable cause or cannot be proved at trial.
  - Sec. 6. NRS 486.057 is hereby amended to read as follows:
- 486.057 "Trimobile" means every motor vehicle *equipped with handlebars and a saddle seat and* designed to travel with three wheels in contact with the ground, at least one of which is power driven. The term does not include a motorcycle with a sidecar.
  - Sec. 7. INRS 486.061 is hereby amended to read as follows:
- —486.061 Except for a nonresident who is at least 16 years of age and is authorized by the person's state of residency to drive a motorcycle, a person shall not drive I:
- 1. A] a motorcycle [, except a trimobile,] upon a highway unless that person holds a valid motorcycle driver's license issued pursuant to NRS 486.011 to 486.381, inclusive, a driver's license issued pursuant to chapter 483 of NRS endorsed to authorize the holder to drive a motorcycle or a permit issued pursuant to subsection 4 or 5 of NRS 483.280.
- [2. A trimobile upon a highway unless that person holds a valid motorcycle driver's license issued pursuant to NRS 486.011 to 486.381, inclusive, or a driver's license issued pursuant to chapter 483 of NRS.]] (Deleted by amendment.)

- Sec. 8. NRS 486.231 is hereby amended to read as follows:
- 486.231 1. The Department shall adopt standards for protective headgear and protective glasses, goggles or face shields to be worn by the drivers and passengers of motorcycles and transparent windscreens for motorcycles.
- 2. Except as *otherwise* provided in this section, when any motorcycle <del>[, except a trimobile]</del> or moped <del>[,]</del> is being driven on a highway, the driver and passenger shall wear protective headgear securely fastened on the head and protective glasses, goggles or face shields meeting those standards. <del>[Drivers and passengers of trimobiles shall wear protective glasses, goggles or face shields which meet those standards.]</del>
- 3. When a motorcycle or a [trimobile] moped is equipped with a transparent windscreen meeting those standards, the driver and passenger are not required to wear glasses, goggles or face shields.
- 4. When a motorcycle *or moped* is being driven in a parade authorized by a local authority, the driver and passenger are not required to wear the protective devices provided for in this section.
- 5. When a three-wheel [motorcycle] vehicle, except a trimobile, on which the driver and passengers ride within an enclosed cab is being driven on a highway, the driver and passengers are not required to wear the protective devices required by this section.
  - Sec. 9. NRS 486.370 is hereby amended to read as follows:
  - 486.370 "Motorcycle" [does not include a trimobile.] includes a moped.
  - Sec. 10. NRS 486.373 is hereby amended to read as follows:
- 486.373 1. A resident of this State who holds a *driver's license*, a motorcycle driver's license or a motorcycle endorsement to a driver's license or who is eligible to apply for such a license or endorsement, or a nonresident who is a member of the Armed Forces of the United States, a reserve component thereof or the National Guard and who is stationed at a military installation located in Nevada, may enroll in the Program.
  - 2. The Director shall establish a fee of not more than \$150 for the Program. Senator Cancela moved the adoption of the amendment.

#### Remarks by Senator Cancela.

Amendment No. 326 does four things in Senate Bill No. 408. First, it removes the requirement that the owner of a trimobile or a moped must pay a fee at registration to help fund a motorcycle safety program. Second, it removes the requirement for the driver of a trimobile to have a motorcycle driver's license or a motorcycle endorsement on their driver's license. Third, it clarifies provisions regarding pedestrian safety, which allows a pedestrian to reach a point of safety on a road that does not have adjacent sidewalks. And fourth, it clarifies that a person ordered to install an ignition-interlock device in certain circumstances must keep the device installed for a period of 185 days.

Amendment adopted.

The following amendment was proposed by Senator Dondero Loop: Amendment No. 535.

SUMMARY—Revises provisions relating to public safety. (BDR 43-805) AN ACT relating to public safety; revising provisions relating to

motorcycles, trimobiles and mopeds; revising provisions relating to the duties of a pedestrian at certain intersections; providing provisions governing the operation of a mobile carrying device on sidewalks and in crosswalks; revising provisions relating to the imposition by a court of the requirement to install an ignition interlock device for certain convictions; requiring the driver and passenger on a trimobile or a moped to wear protective headgear; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 1 and 6 of this bill clarify that, for the purposes of vehicle registration and traffic laws, a vehicle designed to travel with three wheels in contact with the ground must be equipped with handlebars and a saddle seat to meet the definition of "trimobile." (NRS 482.129, 486.057)

Under existing law, a person who registers a motorcycle, other than a trimobile, must pay an additional fee of \$6 for motorcycle safety. (NRS 482.480) Section 2 of this bill requires that the same additional fee be paid by a person who registers a trimobile or a moped.

Existing law provides pedestrians on or near a highway of this State with certain rights and imposes certain duties. (NRS 484B.280-484B.297) Section 2.7 of this bill authorizes the movement of a mobile carrying device on sidewalks and in crosswalks and provides that such a device generally has the rights and duties of a pedestrian. Such a device must have an operator who is actively monitoring the navigation and movement of the device, and the operator must ensure that the device does not: (1) fail to comply with traffic control signals or devices; (2) unreasonably interfere with pedestrians or vehicle traffic; (3) transport hazardous material or a person; and (4) fail to yield to pedestrians on a sidewalk or in a crosswalk. A violation of the provisions governing the operation of a mobile carrying device is a misdemeanor but is not a moving traffic violation for the purposes of NRS 483.473. Section 2.5 defines a mobile carrying device generally as an electrically powered wheeled device that is intended primarily to transport personal property. Sections 1.5 and 2.9 of this bill make conforming changes.

Existing law requires a person driving a motorcycle, other than a trimobile or a moped, to have a motorcycle driver's license or a driver's license with a motorcycle endorsement, and to wear protective headgear. (NRS 486.061, 486.231) Section 7 of this bill requires the driver of a trimobile to have a motorcycle driver's license or a driver's license with a motorcycle endorsement, and section 8 of this bill requires a driver or a passenger on a trimobile or a moped to wear protective headgear.

Existing law requires the Department of Motor Vehicles to establish the Program for the Education of Motorcycle Riders, which provides courses in motorcycle safety. (NRS 486.372, 486.374) Certain persons in this State who hold a motorcycle driver's license or a driver's license with a motorcycle endorsement are eligible to enroll in the Program. (NRS 486.373) Section 9 of this bill authorizes the Program to include instruction applicable to a trimobile

or a moped and section 10 of this bill makes a person who holds a driver's license eligible to enroll in the Program.

Existing law provides requirements for pedestrians crossing a highway of this State when certain signals are in place exhibiting the words "Walk," "Wait" or "Don't Walk." (NRS 484B.283) Section 3 of this bill clarifies that, when a countdown timer is included with such signals, a pedestrian may cross a roadway when such a signal is flashing, so long as the pedestrian completes the crossing before the countdown timer reaches zero. Section 3 also revises references to include certain symbols displayed on such signals, including a walking person symbol and an upraised hand symbol.

Under existing law a court must order a person who is convicted of certain offenses involving driving a motor vehicle while under the influence of intoxicating liquor, a controlled substance or a combination of both, to install an ignition interlock device. (NRS 484C.460) The interlock ignition device must be installed for a period of not less than 185 days unless: (1) the violation was punishable as a felony or vehicular homicide; (2) the person proximately caused the death of or substantial bodily injury to another; or (3) the person was found to have had a concentration of alcohol of 0.18 or more in his or her breath. If any of those conditions are present the interlock ignition device must be installed for a period of not less than 12 months or more than 36 months. Section 4 of this bill clarifies that such a person is only required to install the ignition interlock device for the longer time period if one of the conditions listed above is present. The result of the change is that regardless of whether or not a blood or breath test was administered, or whether the results or lack of results was used in the prosecution or defense of the person, so long as none of the conditions listed above are present, he or she is eligible for the shorter period of required use of an ignition interlock device.

Existing law provides several exceptions to the requirement for installing an ignition interlock device upon a conviction if a court makes certain determinations. (NRS 484C.460) Section 4 eliminates from the list of exceptions a determination by the court that: (1) requiring the person to install a device would cause the person to experience an economic hardship; (2) the person requires the use of the motor vehicle to travel to and from work in the scope of his or her employment; or (3) the person requires the use of the motor vehicle to obtain medicine, food or other necessities or to obtain health care services for the person or a family member of the person.

Finally, existing law requires the manufacturer of an ignition interlock device or an agent of the manufacturer to notify the Director of the Department if the device has been tampered with. (NRS 484C.460) Existing law also requires the Director, or the Director of the Department of Public Safety, to notify a court that has ordered an ignition interlock device if certain irregularities occurred with the device. (NRS 484C.460, 484C.470) Sections 4 and 5 of this bill require the manufacturer of the device or its agent to also notify the court in such circumstances.

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

Section 1. NRS 482.129 is hereby amended to read as follows:

- 482.129 "Trimobile" means every motor vehicle *equipped with handlebars and a saddle seat and* designed to travel with three wheels in contact with the ground, at least one of which is power driven. The term does not include a motorcycle with a sidecar.
  - Sec. 1.5. NRS 482.135 is hereby amended to read as follows:
- 482.135 Except as otherwise provided in NRS 482.36348, "vehicle" means every device in, upon or by which any person or property is or may be transported or drawn upon a public highway. The term does not include:
- 1. Devices moved by human power or used exclusively upon stationary rails or tracks;
- 2. Mobile homes or commercial coaches as defined in chapter 489 of NRS; [or]
  - 3. Electric personal assistive mobility devices [+]; or
- 4. A mobile carrying device as that term is defined in section 2.5 of this act.
  - Sec. 2. NRS 482.480 is hereby amended to read as follows:
- 482.480 There must be paid to the Department for the registration or the transfer or reinstatement of the registration of motor vehicles, trailers and semitrailers, fees according to the following schedule:
- 1. Except as otherwise provided in this section, for each stock passenger car and each reconstructed or specially constructed passenger car registered to a person, regardless of weight or number of passenger capacity, a fee for registration of \$33.
  - 2. Except as otherwise provided in subsection 3:
- (a) For each of the fifth and sixth such cars registered to a person, a fee for registration of \$16.50.
- (b) For each of the seventh and eighth such cars registered to a person, a fee for registration of \$12.
- (c) For each of the ninth or more such cars registered to a person, a fee for registration of \$8.
  - 3. The fees specified in subsection 2 do not apply:
- (a) Unless the person registering the cars presents to the Department at the time of registration the registrations of all the cars registered to the person.
  - (b) To cars that are part of a fleet.
- 4. For every motorcycle, a fee for registration of \$33 and [for each motorcycle other than a trimobile,] an additional fee of \$6 for motorcycle safety. The additional fee must be deposited in the State General Fund for credit to the Account for the Program for the Education of Motorcycle Riders created by NRS 486.372.
- 5. For every moped, a one-time fee for registration of \$33 [.] and an additional fee of \$6 for motorcycle safety. The additional fee must be deposited

in the State General Fund for credit to the Account for the Program for the Education of Motorcycle Riders created by NRS 486.372.

- 6. For each transfer of registration, a fee of \$6 in addition to any other fees.
- 7. Except as otherwise provided in subsection 6 of NRS 485.317, to reinstate the registration of a motor vehicle that is suspended pursuant to that section:
- (a) A fee as specified in NRS 482.557 for a registered owner who failed to have insurance on the date specified by the Department, which fee is in addition to any fine or penalty imposed pursuant to NRS 482.557; or
- (b) A fee of \$50 for a registered owner of a dormant vehicle who cancelled the insurance coverage for that vehicle or allowed the insurance coverage for that vehicle to expire without first cancelling the registration for the vehicle in accordance with subsection 3 of NRS 485.320,
- → both of which must be deposited in the Account for Verification of Insurance which is hereby created in the State Highway Fund. The money in the Account must be used to carry out the provisions of NRS 485.313 to 485.318, inclusive.
  - 8. For every travel trailer, a fee for registration of \$27.
  - 9. For every permit for the operation of a golf cart, an annual fee of \$10.
- 10. For every low-speed vehicle, as that term is defined in NRS 484B.637, a fee for registration of \$33.
- 11. To reinstate the registration of a motor vehicle that is suspended pursuant to NRS 482.451 or 482.458, a fee of \$33.
- 12. For each vehicle for which the registered owner has indicated his or her intention to opt in to making a contribution pursuant to paragraph (h) of subsection 3 of NRS 482.215 or subsection 4 of NRS 482.280, a contribution of \$2. The contribution must be distributed to the appropriate county pursuant to NRS 482.1825.
- Sec. 2.3. Chapter 484B of NRS is hereby amended by adding thereto the provisions set forth as sections 2.5 and 2.7 of this act.
- Sec. 2.5. "Mobile carrying device" means an electrically powered wheeled device that:
- 1. Is designed to operate semi-autonomously not more than 25 feet from its operator;
- 2. Is equipped with technology that allows for active monitoring of the operation of the device by the operator;
- 3. Is intended primarily to transport personal property on sidewalks and <u>crosswalks</u>;
- 4. Weighs less than 90 pounds when empty; and
- 5. Has a maximum speed of 12.5 miles per hour.
- Sec. 2.7. <u>1. A mobile carrying device may be operated on a sidewalk or crosswalk provided that:</u>
- (a) The operator of the mobile carrying device is actively monitoring the navigation and movement of the mobile carrying device;

- (b) The mobile carrying device is equipped with a braking device that enables the mobile carrying device to come to a controlled stop; and
- (c) The mobile carrying device is operated in accordance with any requirements imposed by this section.
- 2. The operator of a mobile carrying device may not allow a mobile carrying device to:
- (a) Operate on the highways of this State except when crossing within a crosswalk;
- (b) Fail to comply with any traffic-control signal or devices that a pedestrian is obligated to comply with;
- (c) Unreasonably interfere with pedestrians or vehicle traffic;
- (d) Transport hazardous material as that term is defined in NRS 459.7024; or
- (e) Transport a person.
- 3. A mobile carrying device has all the rights and duties of a pedestrian except those which by their nature can have no application, except that the operator of a mobile carrying device must ensure that the mobile carrying device yields the right of way to a pedestrian on a sidewalk or in a crosswalk.
- 4. A violation of this section is a misdemeanor and shall not be deemed a moving traffic violation.
  - Sec. 2.9. NRS 484B.003 is hereby amended to read as follows:
- 484B.003 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 484B.007 to 484B.077, inclusive, <u>and section 2.5 of this act</u> have the meanings ascribed to them in those sections.
- Sec. 3. NRS 484B.283 is hereby amended to read as follows:
- 484B.283 1. Except as otherwise provided in NRS 484B.287, 484B.290 and 484B.350:
- (a) When official traffic-control devices are not in place or not in operation, the driver of a vehicle shall yield the right-of-way, slowing down or stopping if need be so to yield, to a pedestrian crossing the highway within a crosswalk when the pedestrian is upon the half of the highway upon which the vehicle is traveling [-] or onto which the vehicle is turning, or when the pedestrian is approaching so closely from the opposite half of the highway as to be in danger.
- (b) A pedestrian shall not suddenly leave a curb or other place of safety and walk or run into the path of a vehicle which is so close that it is impossible for the driver to yield.
- (c) Whenever a vehicle is stopped at a marked crosswalk or at an unmarked crosswalk at an intersection, the driver of any other vehicle approaching from the rear shall not overtake and pass the stopped vehicle until the driver has determined that the vehicle being overtaken was not stopped for the purpose of permitting a pedestrian to cross the highway.
- (d) Whenever signals exhibiting the words "Walk," [" or] "Don't Walk," ["] "Wait" or similar symbols are in place, such signals indicate as follows:

- (1) While the "Walk" indication *or walking person symbol* is illuminated, pedestrians facing the signal may proceed across the highway in the direction of the signal and must be given the right-of-way by the drivers of all vehicles.
- (2) While the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated, [either steady or ] is flashing [,] and is accompanied by a countdown timer, a pedestrian [shall not start to cross] may proceed across the highway in the direction of the signal, but [any pedestrian who has partially completed] must complete the crossing [during the "Walk" indication shall proceed to a sidewalk, or to a safety zone if one is provided.
- (3) Whenever the word "Wait" still appears in a signal, the indication has the same meaning as assigned in this section to the "Don't Walk" indication.
- (4) Whenever a signal system provides a signal phase for the stopping of all vehicular traffic and the exclusive movement of pedestrians, and "Walk" and "Don't Walk" indications control pedestrian movement, pedestrians may eross in any direction between corners of the intersection offering the shortest route within the boundaries of the intersection when the "Walk" indication is exhibited, and when signals and other official traffic control devices direct pedestrian movement in the manner provided in this section and in NRS 484B.307.] before the countdown timer gets to zero.
- (3) While the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated and flashing but is not accompanied by a countdown timer, a pedestrian may not proceed to cross the highway, but a pedestrian who entered the highway lawfully pursuant to subparagraph (1) may continue to cross the highway but must proceed to a sidewalk, or a safety zone if one is provided, before the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated and steady.
- (4) While the "Don't Walk" or "Wait" indication or an upraised hand symbol is illuminated and steady a pedestrian may not proceed to cross the highway, but a pedestrian who entered the highway lawfully pursuant to subparagraph (1) or (2) may continue to cross the highway but must proceed to a sidewalk, or a safety zone if one is provided, as soon as possible.
- 2. If, while violating paragraph (a) or (c) of subsection 1, the driver of a motor vehicle is the proximate cause of a collision with a pedestrian, the driver is subject to the additional penalty set forth in subsection 4 of NRS 484B.653.
- 3. A person who violates any provision of subsection 1 may be subject to the additional penalty set forth in NRS 484B.135.
- 4. As used in this section, "half of the highway" means all traffic lanes of a highway which are designated for traffic traveling in one direction, and includes the entire highway in the case of a one-way highway.
  - Sec. 4. NRS 484C.460 is hereby amended to read as follows:
- 484C.460 1. Except as otherwise provided in subsections 2 and 5, a court shall order a person convicted of:
- (a) [A] Except as otherwise provided in paragraph (b), violation of NRS 484C.110 that is punishable pursuant to paragraph (a) or (b) of subsection 1 of NRS 484C.400, [if the person is found to have had a

concentration of alcohol of less than 0.18 in his or her blood or breath,] to install, at his or her own expense and for a period of not less than 185 days, a device in any motor vehicle which the person operates as a condition to obtaining a restricted license pursuant to NRS 483.490 or as a condition of reinstatement of the driving privilege of the person.

- (b) A violation of:
- (1) NRS 484C.110 that is punishable pursuant to paragraph (a) or (b) of subsection 1 of NRS 484C.400, if the person is found to have had a concentration of alcohol of 0.18 or more in his or her blood or breath;
- (2) NRS 484C.110 or 484C.120 that is punishable as a felony pursuant to NRS 484C.400 or 484C.410; or
  - (3) NRS 484C.130 or 484C.430,
- → to install, at his or her own expense and for a period of not less than 12 months or more than 36 months, a device in any motor vehicle which the person operates as a condition to obtaining a restricted license pursuant to NRS 483.490 or as a condition of reinstatement of the driving privilege of the person.
- 2. A court may, in the interests of justice, provide for an exception to the provisions of subsection 1 for a person who is convicted of a violation of NRS 484C.110 that is punishable pursuant to paragraph (a) of subsection 1 of NRS 484C.400, [to avoid undue hardship to the person] if the court determines that:
- (a) [Requiring the person to install a device in a motor vehicle which the person owns or operates would cause the person to experience an economic hardship;
- (b) The person requires the use of the motor vehicle to:
- (1) Travel to and from work or in the course and scope of his or her employment; or
- (2) Obtain medicine, food or other necessities or to obtain health care services for the person or another member of the person's immediate family;
- $\frac{-(c)}{}$  The person is unable to provide a deep lung breath sample for a device, as certified in writing by a physician of the person; or
- [(d)] (b) The person resides more than 100 miles from a manufacturer of a device or its agent.
  - 3. If the court orders a person to install a device pursuant to subsection 1:
- (a) The court shall immediately prepare and transmit a copy of its order to the Director. The order must include a statement that a device is required and the specific period for which it is required. The Director shall cause this information to be incorporated into the records of the Department and noted as a restriction on the person's driver's license.
- (b) The person who is required to install the device shall provide proof of compliance to the Department before the person may receive a restricted license or before the driving privilege of the person may be reinstated, as applicable. Each model of a device installed pursuant to this section must have been certified by the Committee on Testing for Intoxication.

- 4. A person whose driving privilege is restricted pursuant to this section or NRS 483.490 shall have the device inspected, calibrated, monitored and maintained by the manufacturer of the device or its agent at least one time each 90 days during the period in which the person is required to use the device to determine whether the device is operating properly. Any inspection, calibration, monitoring or maintenance required pursuant to this subsection must be conducted in accordance with regulations adopted pursuant to NRS 484C.480. The manufacturer or its agent shall submit a report to the Director indicating whether the device is operating properly, whether any of the incidents listed in subsection 1 of NRS 484C.470 have occurred and whether the device has been tampered with. If the device has been tampered with, the Director and the manufacturer or its agent shall notify the court that ordered the installation of the device. Upon receipt of such notification and before the court imposes a penalty pursuant to subsection 3 of NRS 484C.470, the court shall afford any interested party an opportunity for a hearing after reasonable notice.
- 5. If a person is required to operate a motor vehicle in the course and scope of his or her employment and the motor vehicle is owned by the person's employer, the person may operate that vehicle without the installation of a device, if:
- (a) The employee notifies his or her employer that the employee's driving privilege has been so restricted; and
- (b) The employee has proof of that notification in his or her possession or the notice, or a facsimile copy thereof, is with the motor vehicle.
- This exemption does not apply to a motor vehicle owned by a business which is all or partly owned or controlled by the person otherwise subject to this section.
- 6. The running of the period during which a person is required to have a device installed pursuant to this section commences when the Department issues a restricted license to the person or reinstates the driving privilege of the person and is tolled whenever and for as long as the person is, with regard to a violation of NRS 484C.110, 484C.120, 484C.130 or 484C.430, imprisoned, serving a term of residential confinement, placed under the supervision of a treatment provider, on parole or on probation.
  - Sec. 5. NRS 484C.470 is hereby amended to read as follows:
- 484C.470 1. The court may extend the order of a person who is required to install a device pursuant to NRS 484C.210 or 484C.460, not to exceed one-half of the period during which the person is required to have a device installed, if the court receives from the Director of the Department of Public Safety or the manufacturer of the device or its agent a report that 4 consecutive months prior to the date of release any of the following incidents occurred:
- (a) Any attempt by the person to start the vehicle with a concentration of alcohol of 0.04 or more in his or her breath unless a subsequent test performed within 10 minutes registers a concentration of alcohol lower than 0.04 and the digital image confirms the same person provided both samples;

- (b) Failure of the person to take any random test unless a review of the digital image confirms that the vehicle was not occupied by the person at the time of the missed test;
- (c) Failure of the person to pass any random retest with a concentration of alcohol of 0.025 or lower in his or her breath unless a subsequent test performed within 10 minutes registers a concentration of alcohol lower than 0.025, and the digital image confirms the same person provided both samples;
- (d) Failure of the person to have the device inspected, calibrated, monitored and maintained by the manufacturer or its agent pursuant to subsection 4 of NRS 484C.460; or
- (e) Any attempt by the person to operate a motor vehicle without a device or tamper with the device.
- 2. A person required to install a device pursuant to NRS 484C.210 or 484C.460 shall not operate a motor vehicle without a device or tamper with the device.
  - 3. A person who violates any provision of subsection 2:
- (a) Must have his or her driving privilege revoked in the manner set forth in subsection 4 of NRS 483.460; and
  - (b) Shall be:
- (1) Punished by imprisonment in jail for not less than 30 days nor more than 6 months; or
- (2) Sentenced to a term of not less than 60 days in residential confinement nor more than 6 months, and by a fine of not less than \$500 nor more than \$1,000.
- → No person who is punished pursuant to this section may be granted probation, and no sentence imposed for such a violation may be suspended. No prosecutor may dismiss a charge of such a violation in exchange for a plea of guilty, guilty but mentally ill or nolo contendere to a lesser charge or for any other reason unless, in the judgment of the attorney, the charge is not supported by probable cause or cannot be proved at trial.
  - Sec. 6. NRS 486.057 is hereby amended to read as follows:
- 486.057 "Trimobile" means every motor vehicle *equipped with handlebars and a saddle seat and* designed to travel with three wheels in contact with the ground, at least one of which is power driven. The term does not include a motorcycle with a sidecar.
  - Sec. 7. NRS 486.061 is hereby amended to read as follows:
- 486.061 Except for a nonresident who is at least 16 years of age and is authorized by the person's state of residency to drive a motorcycle, a person shall not drive <del>[:</del>
- 1. A] a motorcycle [, except a trimobile,] upon a highway unless that person holds a valid motorcycle driver's license issued pursuant to NRS 486.011 to 486.381, inclusive, a driver's license issued pursuant to chapter 483 of NRS endorsed to authorize the holder to drive a motorcycle or a permit issued pursuant to subsection 4 or 5 of NRS 483.280.

- [2. A trimobile upon a highway unless that person holds a valid motorcycle driver's license issued pursuant to NRS 486.011 to 486.381, inclusive, or a driver's license issued pursuant to chapter 483 of NRS.]
  - Sec. 8. NRS 486.231 is hereby amended to read as follows:
- 486.231 1. The Department shall adopt standards for protective headgear and protective glasses, goggles or face shields to be worn by the drivers and passengers of motorcycles and transparent windscreens for motorcycles.
- 2. Except as *otherwise* provided in this section, when any motorcycle <del>[, except a trimobile]</del> or moped <del>[,]</del> is being driven on a highway, the driver and passenger shall wear protective headgear securely fastened on the head and protective glasses, goggles or face shields meeting those standards. <del>[Drivers and passengers of trimobiles shall wear protective glasses, goggles or face shields which meet those standards.]</del>
- 3. When a motorcycle or a [trimobile] moped is equipped with a transparent windscreen meeting those standards, the driver and passenger are not required to wear glasses, goggles or face shields.
- 4. When a motorcycle *or moped* is being driven in a parade authorized by a local authority, the driver and passenger are not required to wear the protective devices provided for in this section.
- 5. When a three-wheel <del>[motorcycle]</del> vehicle, except a trimobile, on which the driver and passengers ride within an enclosed cab is being driven on a highway, the driver and passengers are not required to wear the protective devices required by this section.
  - Sec. 9. NRS 486.370 is hereby amended to read as follows:
  - 486.370 "Motorcycle" [does not include a trimobile.] includes a moped.
  - Sec. 10. NRS 486.373 is hereby amended to read as follows:
- 486.373 1. A resident of this State who holds a *driver's license*, a motorcycle driver's license or a motorcycle endorsement to a driver's license or who is eligible to apply for such a license or endorsement, or a nonresident who is a member of the Armed Forces of the United States, a reserve component thereof or the National Guard and who is stationed at a military installation located in Nevada, may enroll in the Program.
  - 2. The Director shall establish a fee of not more than \$150 for the Program. Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senators Dondero Loop, Denis, Settelmeyer and Hammond.

#### SENATOR DONDERO LOOP:

Amendment No. 535 authorizes the movement on a sidewalk or in a crosswalk of a mobile-carrying device which is defined, generally, as an electrically-powered, wheeled device primarily intended for transporting personal property. Such a device must be actively monitored by its operator; operated within 25 feet of its operator, and the operator is required to insure the device does not unreasonably interfere with pedestrians or vehicle traffic. Such a device generally has the rights and duties of a pedestrian, except the device must yield the right-of-way to pedestrians. A violation of the provisions governing such a device is a misdemeanor. This amendment is consistent with Amendment No. 326 to Senate Bill No. 408.

SENATOR DENIS:

What is a mobile-carrying device that can be semi-autonomous?

SENATOR DONDERO LOOP:

These are mobile devices that operate next to someone and can carry personal items. Sometimes, special needs individuals and our most vulnerable, rather than carrying or wheeling something, use this type of device which is motorized next to them for items.

SENATOR DENIS:

Do they currently exist?

SENATOR DONDERO LOOP:

Yes, they do exist, but they are not addressed in statute.

SENATOR SETTELMEYER:

Would it be possible for you to send a picture of this devices prior to the vote? I have not been able to find one.

SENATOR DONDERO LOOP:

I will do that.

SENATOR HAMMOND:

The amendment says these devices would be considered as having the "rights and privileges as a pedestrian but not all the way." Can you tell us the nuance between the rights the device has as a pedestrian and the rights they do not have?

SENATOR DONDERO LOOP:

This is a smart carrier that follows people on the go while transporting up to 40 pounds. It would have the same reasonable expectations as a pedestrian is because it would be in a crosswalk with the owner. It is designed to be an enabling device for helping people carry items.

SENATOR HAMMOND:

In the digest of the bill by the Legislative Counsel, it says "...unreasonably interfere with pedestrians or vehicle traffic..." could cause a citation. Pedestrians do not normally receive a citation for such an action. Is this the point where there is a distinction between the device being a pedestrian or not? The device can get a citation for interference where a pedestrian would not. Is that where we draw the line?

SENATOR DONDERO LOOP:

The amendment was to allow seniors walking with this device having groceries, for example, or young parents who might be using it, to use it as a reasonable device and keep it next to them under close control.

Amendment adopted,

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 418.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 358.

SUMMARY—Revises provisions governing the distribution and sale of raw milk. (BDR 51-1073)

AN ACT relating to dairy products; fabolishing the county milk commission of each county in which a county milk commission has been appointed: transferring the powers and duties of each county milk commission to the Director of the State Department of Agriculture; requiring an owner or operator of a food establishment in which certified raw milk and products are sold to ensure proper storage and post certain health warnings; revising requirements for the labeling of and warning regarding certified raw milk; removing certain qualifications required for a person to serve as a member of a county milk commission; requiring [the Director] each county milk commission to adopt certain regulations governing the production, distribution and sale of certified raw milk; providing that raw milk certified by the (Director) county milk commission of the county in which it was produced may be sold anywhere in this State; removing certain limitations of the sale or dispensing of raw milk; providing an exemption from certain requirements relating to raw milk for certain owners of dairy cows, sheep or goats; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1.5 of this bill requires each owner or operator of a food establishment in which certified raw milk and products made from it are sold to ensure that: (1) the certified raw milk and products made from it are stored in a separate refrigerator at the food establishment; and (2) certain health warnings concerning the consumption of raw milk are posted in the food establishment. Section 1.5 also sets forth the requirements for the labeling of and warning regarding certified raw milk. Section 3.5 of this bill removes certain limitations on the sale or dispensing of raw milk. Section 3.5 also exempts certain owners of dairy cows, sheep or goats from certain requirements relating to certified raw milk and products made from it. Section 3.5 allows the sale of any raw milk obtained from those animals only if the raw milk is sold directly to a consumer at the premises where the raw milk is produced.

Existing law requires the appointment of a county milk commission in each county in which certified raw milk or certified raw milk products are produced for public consumption and authorizes each county milk commission to regulate the production, distribution and sale of certified raw milk and certified raw milk products in that county. (NRS 584.207, 584.208) [Sections 1 3 of this bill abolish the county milk commission in each county in which a county milk commission has been appointed and transfer the powers and duties of each county milk commission to the Director of the State Department of Agriculture.] Section 2 of this bill [requires, rather than authorizes, the Director to adopt regulations to establish certain fees and charges.] removes certain qualifications that are required for a person to serve as a member of a county milk commission. Section 2 also requires [the Director to conduct certain daily tests, regular inspections and analyses and] a county milk commission to adopt certain regulations. Such regulations must include, without limitation, requirements for the labeling of certified raw milk,

procedures for [daily] testing and requirements that an applicant for certification maintain liability insurance in a specified amount to insure against any potential adverse effect on human health that may result from the consumption of raw milk produced by the applicant. Section 3 of this bill provides that certified raw milk and products made from it may be sold anywhere in this State if the milk has been: (1) cooled in a certain manner after being drawn from a cow or goat; and (2) certified by the [Director. Sections 4 and 5 of this bill provide for the orderly transition of the powers and duties of each county milk commission to the Director.] county milk commission.

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

Section 1. INRS 584.205 is hereby amended to read as follows:

- 584.205 1. In addition to the initial inspection of new applicants, the Director shall, except as otherwise provided in subsection 2, direct a periodic inspection, not less than annually, of all facilities belonging to permittees to ascertain whether the services, facilities and equipment continue to comply with the regulations referred to in NRS 584.195.
- 2. Except as otherwise provided in NRS 584.208 and the regulations adopted pursuant to that section, milk and milk products, including certified raw milk and products made from it, imported from outside the State of Nevada may be sold in this state without inspection by the Director if the requirements of paragraph (a) or (b) are met:
- (a) The milk and milk products have been produced, pasteurized, processed, transported and inspected under statutes or regulations substantially equivalent to the Nevada milk and milk products statutes and regulations.
- (b) The milk and milk products have been awarded an acceptable milk sanitation, compliance and enforcement rating by a state milk sanitation rating officer certified by the United States Public Health Service.
- 3. Whenever the Director has reasonable grounds to believe that a seller of milk or milk products, including certified raw milk and products made from it, is violating any of the regulations adopted by the Director [or any county milk commission] relating to the sanitation and grading of milk and milk products, including certified raw milk and products made from it, or that the seller's facilities or products fail to meet the regulations, or that the seller's operation is in any other manner not in the best interests of the people of this state, the Director may conduct a reasonable inspection, and if any violation or other condition inimical to the best interests of the people of this state is found, to take corrective action pursuant to NRS 584.180 to 584.211, inclusive.] (Deleted by amendment.)
- *Sec. 1.5.* Chapter 584 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Each owner or operator of a food establishment in which certified raw milk and products made from it are sold shall:
- (a) Ensure that the certified raw milk and products made from it are stored in a commercial grade refrigerator which is separate from any other

refrigerator used to store dairy products, food or beverages at the food establishment; and

- (b) Post at least one sign within 5 feet of the separate refrigerator required pursuant to paragraph (a) and in a location conspicuous to the patrons of the food establishment. Each sign must be not less than 8 1/2 inches by 11 inches in size, must set forth a notice in boldface type that is clearly legible and must be in substantially the following form:
  - HEALTH WARNING: There are health risks associated with the consumption of raw milk. According to the Centers for Disease Control and Prevention, the consumption of raw milk is 150 times more likely to cause food-borne illness than pasteurized milk.
- 2. The letters in the words "HEALTH WARNING" in each sign posted pursuant to subsection 1 must be written in not less than 40-point type and the letters in all other words in the sign must be written in not less than 30-point type.
- 3. In addition to any requirement for the labeling of certified raw milk adopted pursuant to NRS 584.207, the text used on all labeling must be printed in at least 8-point font and not in italics. Each label must include a notice in substantially the following form:
  - WARNING: Certified raw milk and products made from it may contain disease-causing microorganisms. The persons who are at the highest risk of disease from those microorganisms include newborn infants, elderly persons, pregnant women, persons taking corticosteroids, antibiotics or antacids and persons suffering from chronic illnesses or other conditions that weaken the immunity of those persons to diseases.
- 4. As used in this section, "food establishment" has the meaning ascribed to it in NRS 446.020.
  - Sec. 2. NRS 584.207 is hereby amended to read as follows:
- 584.207 1. Certified raw milk is unpasteurized, marketed milk which conforms to the regulations and standards adopted by the <u>county milk commission</u> [Director] for the production and distribution of certified raw milk and certified raw milk products [-] in the county in which they are produced.
- 2. <u>In each county in which certified raw milk or certified raw milk products are produced for public consumption, there must be a county milk commission to regulate the production and distribution of those products. The board of county commissioners shall appoint to the commission three members for terms of 4 years, all of whom are eligible for reappointment. [The members must all be residents of the county and have the following respective qualifications:</u>
- (a) One member must be a physician licensed in this State and a member of the medical society of the state;
- (b) One member must be a veterinarian licensed in this State and a member of the county or regional veterinarian association; and

- (c) One member must be a representative of the public at large.
- 3. A county milk commission shall:
- (a) Elect one of its members as chair and adopt appropriate rules to govern:
  - (1) The time and place of its meetings;
- (2) Its rules of procedure; and
- (3) Its recordkeeping and other internal operations.
- (b) [The Director shall:
- —(a)] Adopt written regulations which must be approved by the Director, governing the production, distribution and sale in the county of certified raw milk and products made from it, to protect the public health and safety and the integrity of the product. The regulations must include, without limitation:
  - (1) Requirements for the labeling of certified raw milk;
- (2) Procedures for  $\frac{\{the\ daily\}}{\{td\}; \{td\}; \{td\}\}}$  (b) of subsection 4; and
- (3) Requirements that an applicant for certification maintain liability insurance in a specified amount to insure against any potential adverse effect on human health that may result from the consumption of raw milk produced by the applicant. [; and]
- (4) Any fees and charges as are reasonably necessary to defray the costs and expenses incurred by the Director in the performance of his or her duties under this section.]
- (c) [(b)] Certify raw milk and the products thereof for any applicant producing raw milk , within the county, whose product and methods of production, distribution and sale comply with the regulations and standards adopted by the county milk commission.
- 4. A county milk commission may:
- (a) Establish and collect such *[Director:*
- (e) Collect any] fees and for] charges as appear reasonably necessary to defray the costs and expenses incurred by it in the performance of its duties under this section, fimposed in accordance with the regulations adopted pursuant to paragraph (a)] and expend any money so collected as is necessary for such performance.
- (b) Conduct fthe performance of his or her duties under this section.
- <u>5.</u> [3.] Each applicant for certification must, as a condition for entertaining his or her application and as a condition for any certification granted, submit for testing by the <u>county milk commission</u> [Director] such samples as <u>the county milk commission</u> [the or she] requested allow inspections by <u>the county milk commission</u> or its agents [him or her] at any reasonable times, of any or all of the facilities, equipment, herds or other property employed in the applicant's dairy operations, including, without limitation, all of the applicant's books and records relating thereto.

- Sec. 3. NRS 584.208 is hereby amended to read as follows:
- 584.208 1. Certified raw milk and products made from it may be sold *anywhere in this State* if the milk has been:
- (a) Cooled to 45 degrees Fahrenheit or less immediately after being drawn from the cow or goat and maintained at or below that temperature until it is delivered to the consumer, at which time it may not contain more than 10 coliform bacteria per milliliter or more than 10,000 bacteria per milliliter; and
- (b) Certified by the <u>county milk commission of the county in which it was produced</u>. *[Director.]*
- 2. No person may come in contact with or be near raw milk before it is sold to the consumer unless the person maintains scrupulous cleanliness and is not afflicted with any communicable disease or in a condition to disseminate any disease which can be transmitted by milk. No person may handle milk to be sold as raw unless the person has a physical examination before any employment requiring the person to do so and every 3 months thereafter while continuing in the employment.
  - 3. The Director shall adopt regulations governing:
- (a) Inspections to determine the health of cows and goats which produce milk for sale as raw milk.
- (b) Inspections of dairy farms which produce milk for sale as raw milk and establishing minimum standards of cleanliness and sanitation for the farms.
- (c) Examinations of all persons who come in contact with raw milk before it is sold to a consumer.
- (d) Other matters connected with the production and sale of raw milk which the Director deems necessary to protect the public health.
  - Sec. 3.5. NRS 584.209 is hereby amended to read as follows:
- 584.209 [1. In addition to the] The provisions of NRS 584.205, 584.207, 584.208 [1.] and section 1.5 of this act, and any regulations or standards adopted pursuant thereto, do not apply to a person owning not more than a monthly average of five lactating dairy cows that have calved at least once, ten sheep that have lactated at least once or ten goats that have lactated at least once, and any raw milk obtained from those animals may be sold for dispensed:
- (a) Solely to a hauler of milk or to a processing facility which is permitted or regulated by a state or federal agency; or
- —(b) Only] only if the raw milk is [labeled "FOR ANIMAL FOOD—NOT FOR HUMAN CONSUMPTION" in letters at least 3 inches high on each container of the raw milk and only if the raw milk is altered with an approved denaturant consisting of:
  - (1) Finely powdered charcoal:
  - (2) FD&C Blue No. 1, FD&C Blue No. 2 or Ultramarine Blue; or
  - (3) FD&C Green No. 3, FD&C Red No. 3 or FD&C Red No. 40.

- 2. The Director may impound and dispose of any adulterated milk or milk product or misbranded milk or milk product in any manner prescribed by the Director.
- 3. As used in this section:
- (a) "Adulterated milk or milk product" means any milk or milk product for which one or more of the conditions prescribed in 21 U.S.C. § 342 exist.
- (b) "Misbranded milk or milk product" means any milk or milk product:
- (1) That is packaged in a container which displays or is accompanied by any false or misleading written, printed or graphic matter; or
- (2) For which one or more of the conditions prescribed in 21 U.S.C. § 343 exist.
- (e) "Sold or dispensed" means any transaction involving the transfer or dispensing of raw milk by barter or contractual agreement or in exchange for any form of compensation, including, but not limited to, the sale of shares or interests in a cow, goat or other lactating mammal or herd.] sold directly to a consumer at the premises where the raw milk is produced.
- Sec. 4. [1. Any regulation or standard adopted by a county milk commission pursuant to NRS 584.207 remains in force until amended or repealed by the Director of the State Department of Agriculture.
- 2. Any contract or other agreement entered into by a county milk commission is binding upon the Director of the State Department of Agriculture and may be enforced by him or her.
- 3. Any action taken by a county milk commission remains in effect as if taken by the Director of the State Department of Agriculture.] (Deleted by amendment.)
- Sec. 5. [1. Notwithstanding any other provision of law to the contrary, the Director of the State Department of Agriculture shall be deemed to be the successor of each county milk commission appointed pursuant to NRS 584 207.
- 2. The current term of membership of any person who, on June 30, 2019, is a member or chair of a county milk commission appointed pursuant to NRS 584.207 expires on July 1, 2019.
- 3. Any certificate or permit issued by a county milk commission remains valid for the period for which the certificate or permit was issued, if the holder of the certificate or permit otherwise remains qualified to hold the certificate or permit during that period.
- 4. Any certified raw milk or product made from it which is certified by the county milk commission of the county in which it was produced before July 1, 2019, shall be deemed to be certified by the Director of the State Department of Agriculture on or after that date, unless otherwise provided by the Director.] (Deleted by amendment.)
  - Sec. 6. This act becomes effective [:
- 1. Upon passage and approval . [for purposes of adopting regulations and any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

## 2. On July 1, 2019, for all other purposes.]

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 358 to Senate Bill No. 418 provides requirements for food establishments in which certified raw milk and products made from it are sold; exempts certain owners of dairy cows, sheep or goats from certain requirements relating to certified raw milk and related products if raw milk is sold directly to a consumer at the premises where the raw milk is produced; deletes sections of the bill that would have abolished county milk commissions, and removes certain qualifications for a person to serve as a member of a county milk commission. I encourage your support.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 428.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 238.

SUMMARY—Revises provisions relating to transportation. (BDR 43-725)

AN ACT relating to parking; making it unlawful to park a vehicle in a parking space designated for electric vehicle charging unless the vehicle is being charged; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill prohibits a person from parking a vehicle in a parking space designated for charging electric or hybrid electric vehicles unless the vehicle is being charged at the charging station. Such a parking space must be identified by appropriate markings or a sign to make this provision enforceable. A violation of this provision [is a misdemeanor and] is punishable by a fine [.] but is not a moving violation for purposes of the system of demerit points established pursuant to NRS 483.473. Additionally, existing law makes the vehicle of a person who violates certain parking restrictions subject to being towed under certain circumstances at the request of the owner of the real property where the parking space is located. (NRS 706.4477) This bill effectively includes the provisions of section 1 in such parking restrictions.

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

Section 1. Chapter 484B of NRS is hereby amended by adding thereto a new section to read as follows:

1. A person shall not park a vehicle in a space designated for charging electric or hybrid electric vehicles by a sign or markings that meet the requirements of subsection 2, whether on public or privately owned property, if the vehicle is not connected to the charging station for the purpose of charging.

- 2. For the purpose of enforcing the provisions of subsection 1, a parking space designated for charging electric or hybrid electric vehicles must be indicated by a sign or markings that <del>[are]</del>:
- <u>(a) Are</u> consistent with the manual and specifications for a uniform system of traffic-control devices adopted pursuant to NRS 484A.430 <u>f-1</u>; and
- (b) State "Minimum fine of \$100 for use by others" or equivalent words.
- 3. A person who violates the provisions of subsection 1 [is guilty of a misdemeanor and] shall be punished:
  - (a) Upon the first offense, by a fine of \$100.
  - (b) Upon the second offense, by a fine of \$200.
- (c) Upon the third or subsequent offense, by a fine of not less than \$400, but not more than \$750.
- <u>4. A violation of this section is not a moving violation for the purposes of NRS 483.473.</u>

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 238 does two things to Senate Bill No. 428. First, it adds language requiring that a sign designating a parking space for charging electric vehicles include a statement informing the public of the minimum fine for parking in such a space unless the vehicle is being charged. It also deletes the penalty of a misdemeanor and replaces it with a nonmoving violation.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 429.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 327.

SUMMARY—Revises provisions relating to license plates for amateur radio license holders. (BDR 43-1138)

AN ACT relating to special license plates; revising provisions relating to renewal of special license plates available to holders of a license for an amateur radio station; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the issuance of special license plates to a person who holds an unrevoked and unexpired official amateur radio station license issued by the Federal Communications Commission. An applicant for renewal of such a special license plate may obtain a waiver of the \$10 fee for a renewal sticker if the holder submits to the Department of Motor Vehicles a statement, signed under penalty of perjury, that the holder will assist in communications during local, state and federal emergencies. (NRS 482.375) This bill provides that the statement required for the renewal fee waiver must also state that the applicant is the holder of an unrevoked and unexpired official amateur radio station license, and that such a statement need only be submitted to the Department once . [F. with the applicant indicating at each subsequent renewal]

that the statement is still valid.] This bill also requires a holder of such special license plates to surrender the special license plates to the Department if the holder is no longer eligible for the special license plates.

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

Section 1. NRS 482.375 is hereby amended to read as follows:

- 482.375 1. An owner of a motor vehicle who is a resident of the State of Nevada and who holds an unrevoked and unexpired official amateur radio station license issued by the Federal Communications Commission, upon application accompanied by proof of ownership of that license, complying with the state motor vehicle laws relating to registration and licensing of motor vehicles, and upon the payment of the regular license fee for plates as prescribed by law, and the payment of an additional fee of \$35, must be issued a license plate or plates, upon which in lieu of the numbers as prescribed by law must be inscribed the words "RADIO AMATEUR" and the official amateur radio call letters of the applicant as assigned by the Federal Communications Commission. The annual fee for a renewal sticker is \$10 unless waived by the Department pursuant to subsection 2. The plate or plates may be used only on a private passenger car, trailer or travel trailer or on a noncommercial truck, except that such plates may not be used on a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483.
- 2. The Department may waive the annual fee for a renewal sticker if the applicant for renewal:
- (a) [Submits with the application for renewal] Has submitted to the Department a statement under penalty of perjury that the applicant is the holder of an unrevoked and unexpired official amateur radio station license as required pursuant to subsection 1 and will assist in communications during local, state and federal emergencies; and
- (b) Hadicates upon renewal that the statement submitted pursuant to paragraph (a) is still valid; and
- $\frac{-(e)}{}$  Satisfies any other requirements established by the Department by regulation for such a waiver.
- 3. The cost of the die and modifications necessary for the issuance of a license plate pursuant to this section must be paid from private sources without any expense to the State of Nevada.
  - 4. The Department may adopt regulations:
- (a) To ensure compliance with all state license laws relating to the use and operation of a motor vehicle before issuance of the plates in lieu of the regular Nevada license plate or plates.
- (b) Setting forth the requirements and procedure for obtaining a waiver of the annual fee for a renewal sticker [.] except that an applicant for the waiver must not be required to submit to the Department the statement required pursuant to paragraph (a) of subsection 2 more than once.
- 5. All applications for the plates authorized by this section must be made to the Department.

- 6. If, during a registration period, the holder of license plates issued pursuant to this section is no longer eligible to hold the license plates pursuant to subsection 1, he or she shall surrender any of those license plates in his or her possession to the Department and is entitled to receive regular Nevada license plates.
  - Sec. 2. This act becomes effective on July 1, 2019.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 327 to Senate Bill No. 429 deletes the requirement that a holder of an amateur radio special license plate must submit a statement to the Department of Motor Vehicles at the time of renewing the plate that he or she holds an unrevoked and unexpired official, amateur radio station license in order to have the Department waive the annual renewal sticker fee.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 459.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 540.

SUMMARY—Provides for collective bargaining by certain state employees. (BDR 23-536)

AN ACT relating to state employees; authorizing collective bargaining for certain state employees; renaming and expanding the duties of the Local Government Employee-Management Relations Board; providing for the recognition of <a href="femployee">femployee</a> professional organizations; providing for the establishment of bargaining units and the designation of bargaining agents; establishing procedures for collective bargaining and for making collective bargaining agreements; prohibiting certain unfair labor practices; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Title 23 of NRS governs public employment. This bill authorizes collective bargaining between the State and certain state employees. Section 17 of this bill defines the term "employee" for the purposes of this bill to mean a person who is employed by the Executive Department of State Government. Section 17 excludes from this definition, among others, classified employees and, with certain exceptions, unclassified employees.

Sections 1, 48 and 49 of this bill expand the powers and duties of the Local Government Employee-Management Relations Board to include hearing and deciding disputes between the State and certain state employees. Section 47 of this bill changes the name of the Local Government Employee-Management Relations Board to the Government Employee-Management Relations Board to conform to this change in duties.

Existing law requires the Local Government Employee-Management Relations Board annually to assess a fee for the support of the Board against

each local government employer. (NRS 288.105) Section 22 of this bill additionally requires the newly created Government Employee-Management Relations Board annually to assess a similar fee against each entity of the Executive Department.

Section 23 of this bill authorizes certain state employees to organize and form [employee] professional organizations or refrain from engaging in that activity. Section 24 of this bill requires the Executive Department to engage in collective bargaining with the recognized [employee] professional organization, if any, for each bargaining unit, if any, among its employees and sets forth the subject matters within the scope of such collective bargaining. Sections 24.3 and 24.7 of this bill set forth certain provisions which are required to be included in a collective bargaining agreement. Section 25 of this bill provides for the recognition of [an employee] a professional organization by the Executive Department and sets forth the conditions under which the Executive Department is authorized to withdraw that recognition. Sections 26-28 of this bill establish procedures for elections ordered by the Board to determine membership support for [an employee] a professional organization or designate a bargaining agent. Section 31 of this bill provides for the creation and organization of bargaining units.

Sections 29 and 30 of this bill require the Executive Department and each recognized [employee] professional organization to file certain reports with the Board annually. Section 32 of this bill establishes certain rights of [employee] professional organizations.

[Section] Sections 24.7, 32.5 and 33 of this bill [sets] set forth certain time frames in which the Executive Department and [an employee] a professional organization are required to engage in collective bargaining. Sections [34 and 36-39] 39.3-39.8 of this bill provide for mediation and [fact finding] arbitration in the event of a dispute between the Executive Department and [an employee] a professional organization. Sections 41 and 50 of this bill provide that certain meetings convened for the purpose of collective bargaining and resolving disputes relating to collective bargaining are exempt for the provisions of existing law requiring open and public meeting of public bodies. Section 42 of this bill prohibits certain unfair labor practices in the context of collective bargaining. Sections 4-11, 45 and 56 of this bill reorganize certain definitions in chapter 288 of NRS to conform to changes made in this bill.

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

Section 1. NRS 281.755 is hereby amended to read as follows:

- 281.755 1. Except as otherwise provided in subsections 2 and 5, a public body shall provide an employee who is the mother of a child under 1 year of age with:
- (a) Reasonable break time, with or without compensation, for the employee to express breast milk as needed; and

- (b) A place, other than a bathroom, that is reasonably free from dirt or pollution, protected from the view of others and free from intrusion by others where the employee may express breast milk.
- 2. If the public body determines that complying with the provisions of subsection 1 will cause an undue hardship considering the size, financial resources, nature and structure of the public body, the public body may meet with the employee to agree upon a reasonable alternative. If the parties are not able to reach an agreement, the public body may require the employee to accept a reasonable alternative selected by the public body and the employee may appeal the decision by filing a complaint in the manner set forth in subsection 4.
- 3. An officer or agent of a public body shall not retaliate, or direct or encourage another person to retaliate, against an employee of the public body because the employee has:
- (a) Taken break time or used the space provided pursuant to subsection 1 or 2 to express breast milk; or
- (b) Taken any action to require the public body to comply with the requirements of this section, including, without limitation, filing a complaint, testifying, assisting or participating in any manner in an investigation, proceeding or hearing to enforce the provisions of this section.
- 4. An employee who is aggrieved by the failure of a public body to comply with the provisions of this section may:
- (a) If the employee is employed by the Executive Department of State Government and is not an employee of an entity described in NRS 284.013 [,] and is not an employee in a bargaining unit pursuant to sections 12 to 43, inclusive, of this act, file a complaint with the Employee-Management Committee in accordance with the procedures provided pursuant to NRS 284.384;
- (b) If the employee is employed by the Legislative Department of State Government, file a complaint with the Director of the Legislative Counsel Bureau:
- (c) If the employee is employed by the Judicial Department of State Government, file a complaint with the Court Administrator; and
- (d) If the employee is employed by a political subdivision of this State or any public or quasi-public corporation organized under the laws of this State [1] or if the employee is employed by the Executive Department of State Government and is an employee in a bargaining unit pursuant to sections 12 to 43, inclusive, of this act, file a complaint with the [Local] Government Employee-Management Relations Board in the manner set forth in NRS 288.115.
- 5. The requirements of this section do not apply to the Department of Corrections. The Department is encouraged to comply with the provisions of this section to the extent practicable.
  - 6. As used in this section, "public body" means:

- (a) The State of Nevada, or any agency, instrumentality or corporation thereof;
  - (b) The Nevada System of Higher Education; or
- (c) Any political subdivision of this State or any public or quasi-public corporation organized under the laws of this State, including, without limitation, counties, cities, unincorporated towns, school districts, charter schools, hospital districts, irrigation districts and other special districts.
  - Sec. 2. NRS 284.013 is hereby amended to read as follows:
- 284.013 1. Except as otherwise provided in subsection 4, this chapter does not apply to:
- (a) Agencies, bureaus, commissions, officers or personnel in the Legislative Department or the Judicial Department of State Government, including the Commission on Judicial Discipline;
- (b) Any person who is employed by a board, commission, committee or council created in chapters 445C, 590, 623 to 625A, inclusive, 628, 630 to 644A, inclusive, 648, 652, 654 and 656 of NRS; or
- (c) Officers or employees of any agency of the Executive Department of the State Government who are exempted by specific statute.
- 2. Except as otherwise provided in subsection 3, the terms and conditions of employment of all persons referred to in subsection 1, including salaries not prescribed by law and leaves of absence, including, without limitation, annual leave and sick and disability leave, must be fixed by the appointing or employing authority within the limits of legislative appropriations or authorizations.
- 3. Except as otherwise provided in this subsection, leaves of absence prescribed pursuant to subsection 2 must not be of lesser duration than those provided for other state officers and employees pursuant to the provisions of this chapter. The provisions of this subsection do not govern the Legislative Commission with respect to the personnel of the Legislative Counsel Bureau.
- 4. Any board, commission, committee or council created in chapters 445C, 590, 623 to 625A, inclusive, 628, 630 to 644A, inclusive, 648, 652, 654 and 656 of NRS which contracts for the services of a person, shall require the contract for those services to be in writing. The contract must be approved by the State Board of Examiners before those services may be provided.
- 5. To the extent that they are inconsistent or otherwise in conflict, the provisions of this chapter do not apply to any terms and conditions of employment that are properly within the scope of and subject to the provisions of a collective bargaining agreement that is enforceable pursuant to the provisions of sections 12 to 43, inclusive, of this act.
- *Sec.* 2.5. Chapter 287 of NRS is hereby amended by adding thereto a new section to read as follows:
- To the extent that they are inconsistent or otherwise in conflict, the provisions of this chapter do not apply to any terms and conditions of employment that are properly within the scope of and subject to the provisions

- of a collective bargaining agreement that is enforceable pursuant to the provisions of sections 12 to 43, inclusive, of this act.
- Sec. 3. Chapter 288 of NRS is hereby amended by adding thereto the provisions set forth as sections 4 to 43, inclusive, of this act.
- Sec. 4. As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 288.040, 288.050, 288.060 and sections 5 to 11, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 5. "Board" means the Government Employee-Management Relations Board created by NRS 288.080.
- Sec. 6. "Collective bargaining" means a method of determining conditions of employment by negotiation between representatives of the Executive Department or a local government employer and an employee organization [1] or professional organization, entailing a mutual obligation of the Executive Department or local government employer, as applicable, and the representative of the state or local government employees to meet at reasonable times and bargain in good faith with respect to:
- 1. [Wages,] Salaries, wages, hours and other terms and conditions of employment;
  - 2. The negotiation of an agreement;
- 3. The resolution of any question arising under a negotiated agreement; or
- 4. The execution of a written contract incorporating any agreement reached if requested by either party,
- → but this obligation does not compel either party to agree to a proposal or require the making of a concession.
- Sec. 7. "Commissioner" means the Commissioner appointed by the Board pursuant to NRS 288.090.
- Sec. 8. "Executive Department" means an agency, board, bureau, commission, department, division, elected officer or any other unit of the Executive Department of State Government. The term includes the Nevada System of Higher Education and any university, state college, community college or institute within the Nevada System of Higher Education.
- Sec. 9. "Fact-finding" means the formal procedure by which an investigation of a labor dispute is conducted by a person at which:
  - 1. Evidence is presented; and
- 2. A written report is issued by the fact finder describing the issues involved and setting forth recommendations for settlement which may or may not be binding as provided in NRS 288.200. [for section 36 of this act.]
- Sec. 10. "Mediation" means assistance by an impartial third party to reconcile differences between the Executive Department or a local government employer and a bargaining agent through interpretation, suggestion and advice.
- Sec. 10.5. <u>"Professional organization" means an organization of any kind having as one of its purposes improvement of the terms and conditions of employees as defined in section 17 of this act.</u>

- Sec. 11. "Strike" means any concerted:
- 1. Stoppage of work, slowdown or interruption of operations by employees of the State of Nevada or local government employees;
- 2. Absence from work by employees of the State of Nevada or local government employees upon any pretext or excuse, such as illness, which is not founded in fact; or
- 3. Interruption of the operations of the State of Nevada or any local government employer by any employee organization f: or professional organization.
- Sec. 12. As used in sections 12 to 43, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 13 to 20, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 13. "Arbitration" means a process of dispute resolution where the parties involved in an impasse or grievance dispute submit their dispute to a third party for a final and binding decision.
- Sec. 14. "Bargaining agent" means [an employee] a professional organization recognized by the Executive Department or designated by the Board as the exclusive representative of all employees in the bargaining unit for purposes of collective bargaining.
- Sec. 15. "Bargaining unit" means a group of employees recognized by the Executive Department as having sufficient community of interest appropriate for representation by <del>[an employee]</del> a professional organization for the purpose of collective bargaining.
- Sec. 16. "Confidential employee" means an employee who provides administrative support to an employee who assists in the formulation, determination and effectuation of personnel policies or managerial policies concerning collective bargaining.
- Sec. 17. 1. "Employee" means a person who is employed by the Executive Department.
  - 2. The term does not include:
  - (a) A local government employee;
- (b) A person who is employed in the classified service of the State pursuant to chapter 284 of NRS:
- (c) A person who is employed by the Public Employees' Retirement System and is required to be paid in accordance with the pay plan for the classified service of the State;
- (d) A person who serves at the pleasure of the Executive Department and whose employment may be terminated at any time without contractual restriction or notice;
- (e) An elected official or any person appointed to fill a vacancy in an elected office;
- (f) A person who is employed in neither the classified nor the unclassified service of the State pursuant to NRS 223.085;
  - (g) A managerial employee;
  - (h) A confidential employee;

- (i) A temporary employee who is employed for a fixed period of <del>[4 months]</del> 90 calendar days or less;
- (j) A commissioned officer or an enlisted member of the Nevada National Guard; or
  - (k) An independent contractor, as defined in NRS 286.045.
- Sec. 18. "Grievance" means an act, omission or occurrence that an employee or a bargaining agent believes to be an injustice relating to any condition arising out of the relationship between an employer and an employee, including, without limitation, working hours, working conditions, membership in an organization of employees or the interpretation of any law, regulation or agreement.
- Sec. 19. 1. "Managerial employee" means an employee whose primary function is to administer and control the business of any agency, board, bureau, commission, department, division, elected officer or any other unit of the Executive Department and who is vested with discretion and independent judgment with regard to the general conduct and control of that agency, board, bureau, commission, department, division, elected officer or unit.
  - 2. The term includes, without limitation:
- (a) A chief administrative officer, the chief administrative officer's deputy and immediate assistants, department heads, their deputies and immediate assistants, attorneys, appointed officials and others who are primarily responsible for formulating and administering management policy and programs; and
- (b) Certain employees of the Nevada System of Higher Education including, without limitation:
  - (1) The Chancellor of the System, presidents, provosts and deans;
  - (2) Vice, associate and assistant presidents, provosts and deans; and
- (3) Other employees who are primarily responsible for formulating and administering management policy and programs.
- 3. With respect to employees of the Nevada System of Higher Education, an employee shall not be deemed a managerial employee solely because the employee participates in decisions with respect to courses, curriculum, personnel or other matters of educational policy. A chair or head of a department or similar academic unit or program who performs the foregoing duties primarily on behalf of the members of the academic unit or program shall not be deemed a managerial employee solely because of those duties.
- Sec. 20. "Recognition" or "recognized" means the formal acknowledgment by the Executive Department that a particular [employee] professional organization has the right to represent the employees within a particular bargaining unit.
- Sec. 21. 1. The Legislature hereby finds and declares that there is a great need to:
- (a) Promote orderly and constructive relations between the Executive Department and its employees; and
  - (b) Increase the efficiency of the Executive Department.

- 2. It is therefore within the public interest that the Legislature enact provisions:
- (a) Granting certain state employees the right to associate with others in organizing and choosing representatives for the purpose of engaging in collective bargaining;
- (b) Requiring the Executive Department to recognize [employee] professional organizations and to negotiate salaries, wages, hours and other terms and conditions of employment with [employee] professional organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining; and
- (c) Establishing standards and procedures that protect the rights of employees, the Executive Department and the people of the State.
  - 3. The Legislature further finds and declares that:
- (a) Joint decision making and consultation between administration and faculty or academic employees is a long-accepted manner of governing institutions of higher education;
- (b) It is a purpose of the provisions of sections 12 to 43, inclusive, of this act to preserve and encourage that practice; and
- (c) The provisions of sections 12 to 43, inclusive, of this act are not intended to restrict, limit or prohibit the full exercise of the functions of faculty in any shared governance mechanism or practice, including, without limitation, procedures for resolving grievances through a mechanism or practice of shared governance in an academic institution, the establishment of faculty senates and the principle of peer review of appointment, retention and tenure for faculty in an institution of higher education.
- Sec. 22. 1. On or before July 1 of each year, the Board shall charge and collect a fee from the Executive Department in an amount not to exceed \$10 for each employee of the Executive Department who was employed by the Executive Department during the first pay period of the immediately preceding fiscal year.
- 2. The Executive Department shall pay the fee imposed pursuant to subsection 1 on or before July 31 of each year. The Executive Department shall not impose the fee against its employees.
- 3. If the Executive Department fails to pay the fee imposed pursuant to subsection 1 on or before July 31 of that year, the Board shall impose a civil penalty not to exceed \$10 for each employee employed by the Executive Department for whom the fee was not paid.
- 4. The Executive Department may not receive a reduction in the amount of the fee imposed pursuant to subsection 1 or a refund of that amount if an employee is not employed for a full calendar year. The fee must be imposed whether or not the employee is a member of [an employee] a professional organization.
- 5. Any money received from the fees collected pursuant to subsection 1 must be accounted for separately and may be used only to carry out the duties of the Board.

- 6. To carry out the provisions of this section, the Board may verify the identity and number of employees employed by the Executive Department by any reasonable means.
- Sec. 23. 1. For the purposes of collective bargaining and other mutual aid or protection, every employee has the right to:
- (a) Organize, form, join and assist <del>[employee]</del> <u>professional</u> organizations, engage in collective bargaining through bargaining agents and engage in other concerted activities; and
  - (b) Refrain from engaging in such activity.
- 2. The recognition of <u>{an employee}</u> <u>a professional</u> organization for negotiation, pursuant to the provisions of sections 12 to 43, inclusive, of this act, does not preclude any employee who is not a member of that <del>{employee}</del> <u>professional</u> organization from acting for himself or herself with respect to any condition of his or her employment, but any action taken on a request or in adjustment of a grievance must be consistent with the terms of an applicable negotiated agreement, if any.
  - 3. The following persons may not be a member of a bargaining unit:
  - (a) A managerial employee.
  - (b) A confidential employee.
- [-(c) A supervisory employee described in paragraph (b) of subsection 1 of NRS 288.075, including, without limitation, appointed officials who are primarily responsible for formulating and administering management, policy and programs.]
- Sec. 24. 1. The Executive Department shall negotiate in good faith through one or more representatives of its own choosing concerning the mandatory subjects of bargaining set forth in subsection 2 with the designated representatives of the recognized [employee] professional organization, if any, for each appropriate bargaining unit among its employees. If either party so requests, agreements reached must be reduced to writing.
  - 2. The scope of mandatory bargaining is limited to:
  - (a) Salary or wage rates or other forms of direct monetary compensation.
  - (b) Sick leave.
  - (c) Vacation leave.
  - (d) Holidays.
  - (e) Maternity or paternity leave and family medical leave.
- (f) Other paid or nonpaid leaves of absence consistent with the provisions of sections 12 to 43, inclusive, of this act.
  - (g) Insurance and healthcare benefits.
- (h) Total hours of work required of an employee on each workday or workweek.
  - (i) Total number of days' work required of an employee in a work year.
  - $(j)\ \ Discharge\ and\ disciplinary\ procedures.$
  - (k) Recognition clause.
  - (1) The method used to classify employees in the bargaining unit.

- (m) Deduction of dues for the recognized <del>[employee]</del> <u>professional</u> organization.
- (n) Protection of employees in the bargaining unit from discrimination because of participation in recognized [employee] professional organizations consistent with the provisions of sections 12 to 43, inclusive, of this act.
- (o) No-strike provisions consistent with the provisions of sections 12 to 43, inclusive, of this act.
- (p) Grievance and arbitration procedures for resolution of disputes relating to interpretation or application of collective bargaining agreements.
  - (q) General savings clauses.
  - (r) Duration of collective bargaining agreements.
  - (s) Safety of the employee.
  - (t) Academic freedom.
  - (u) Shared governance in academic institutions.
- (v) Facilities for employees who are faculty members of the Nevada System of Higher Education to meet with students.
  - (w) Policies for the transfer and reassignment of employees.
- (x) Procedures for reduction or addition in workforce consistent with the provisions of sections 12 to 43, inclusive, of this act.
- 3. [Those subject matters which are not within the scope of mandatory bargaining and which are reserved to the Executive Department without negotiation include:
- (a) The right to hire, direct, assign or transfer an employee, but excluding the right to assign or transfer an employee as a form of discipline.
- (b) The right to reduce in force or lay off any employee because of lack of work or lack of money, subject to paragraph (x) of subsection 2.
- -(c) The right to determine:
- (1) Appropriate staffing levels and work performance standards, exceptor safety considerations;
- (2) The content of the workday, including, without limitation, workload factors, except for safety considerations;
  - (3) The quality and quantity of services to be offered to the public; and
  - (4) The means and methods of offering those services.
- <del>(d) Safety of the public.</del>
- —4.] The provisions of sections 12 to 43, inclusive, of this act, including, without limitation, the provisions of this section, recognize and declare the ultimate right and responsibility of the Executive Department to manage its operation in the most efficient manner consistent with the best interests of the public and its employees.
- [5.] 4. This section does not preclude, but the provisions of sections 12 to 43, inclusive, of this act do not require, the Executive Department to negotiate subject matters [enumerated in subsection 3] which are outside the scope of mandatory bargaining. The Executive Department shall discuss subject matters outside the scope of mandatory bargaining but it is not required to negotiate those matters.

- Sec. 24.3. <u>1. Each collective bargaining agreement must be in writing</u> and must include, without limitation:
- (a) A procedure to resolve grievances which applies to all employees in the bargaining unit and culminates in binding arbitration. Except as otherwise provided in this paragraph, the procedure must be used to resolve all grievances relating to employment, including, without limitation, the administration and interpretation of the collective bargaining agreement, the applicability of any law, rule or regulation relating to the employment and appeal of discipline and other adverse personnel actions. The parties may agree to resolve certain types of grievances through the use of a mechanism or practice of shared governance in an academic institution.
- (b) A provision which provides that an officer of the Executive Department shall, upon written authorization by an employee within the bargaining unit, withhold a sufficient amount of money from the salary or wages of the employee pursuant to NRS 281.129 to pay dues or similar fees to the bargaining agent of the bargaining unit. Such authorization may be revoked only in the manner prescribed in the authorization.
- 2. An employee in a bargaining unit who is aggrieved by the failure of the Executive Department or its designated representative to comply with the requirements of NRS 281.755 may pursue a grievance related to that failure through:
- (a) The procedure provided in the agreement pursuant to paragraph (a) of subsection 1; or
- (b) The procedure prescribed by NRS 288.115,
- but once the employee has properly filed a grievance in writing under the procedure described in paragraph (a) or filed a complaint under the procedure described in paragraph (b), the employee may not proceed in the alternative manner.
- Sec. 24.7. Except as otherwise provided in this section, the terms of a collective bargaining agreement must begin on July 1 of an odd-numbered year and must end on June 30 of the next odd-numbered year. If the parties cannot agree to a new collective bargaining agreement, the terms of that collective bargaining agreement remain in effect until a new collective bargaining agreement takes effect.
- Sec. 25. 1. [An employee] A professional organization may apply to the Executive Department for recognition by presenting:
  - (a) A copy of its constitution and bylaws, if any;
  - (b) A roster of its officers, if any, and representatives; and
- (c) A pledge in writing not to strike against the Executive Department under any circumstances.
- $\rightarrow$  The Executive Department shall not recognize as representative of its employees any  $\frac{[employee]}{[employee]}$  professional organization which has not adopted, in a manner valid under its own rules, the pledge required by paragraph (c).
- 2. If <u>{an employee}</u> <u>a professional</u> organization, at or after the time of its application for recognition, presents a verified membership list or other

evidence showing that the <u>femployeel</u> <u>professional</u> organization represents more than 50 percent of the employees in a bargaining unit, and if the <u>femployeel</u> <u>professional</u> organization is recognized by the Executive Department, it shall be deemed the bargaining agent of the employees in that bargaining unit.

- 3. If it first receives the written permission of the Board, the Executive Department may withdraw recognition from <del>[an employee]</del> <u>a professional</u> organization that:
- (a) Fails to present a copy of each change in its constitution or bylaws, if any, or to give notice of any change in the roster of its officers, if any, and representatives;
- (b) Disavows its pledge not to strike against the Executive Department under any circumstances;
- (c) Ceases to be supported by more than 50 percent of the employees in the bargaining unit for which it is recognized; or
  - (d) Fails to negotiate in good faith with the Executive Department.
- Sec. 26. 1. If the Board in good faith doubts whether any [employee] professional organization is supported by more than 50 percent of the employees in a particular bargaining unit, it may conduct an election by secret ballot upon the question. Subject to judicial review, the decision of the Board is binding upon the Executive Department and all [employee] professional organizations involved.
- 2. If no <u>[employee]</u> <u>professional</u> organization is designated as the bargaining agent of a bargaining unit, the Board shall order an election to be conducted within the bargaining unit if:
- (a) [An employee] A professional organization files with the Board a written request for an election which includes a list of its membership or other evidence showing that it represents at least 30 percent but not more than 50 percent of the employees within the bargaining unit; and
- (b) No other election to choose, change or discontinue representation has been conducted within the bargaining unit during the immediately preceding 12 months.
- 3. If <u>fan employee</u>] a <u>professional</u> organization has been designated or recognized as the bargaining agent of a bargaining unit pursuant to subsection 1 or section 25 of this act, the Board shall order an election:
  - (a) If either:
- (1) Another [employee] professional organization files with the Board a written request for an election which includes a list of its membership or other evidence showing that the [employee] professional organization represents at least 50 percent of the employees within the bargaining unit; or
- (2) A group of employees within the bargaining unit files with the Board a written request for an election which includes a list or other evidence showing that more than 50 percent of the employees within the bargaining unit have requested that an election be conducted to change or discontinue representation;

- (b) If applicable, the request filed pursuant to paragraph (a) is filed not more than 270 days and not less than 225 days before the date on which the current collective bargaining agreement in effect for the bargaining unit expires; and
- (c) If no other election to choose, change or discontinue representation has been conducted within the bargaining unit during the immediately preceding 12 months.
- 4. The Executive Department and [an employee] a professional organization may agree in writing, without appealing to the Board, to hold a representative election to determine whether [an employee] a professional organization represents at least 50 percent of the employees in a bargaining unit. Participation by the Board and its staff in an agreed election is subject to the approval of the Board.
- Sec. 27. 1. If the Board orders an election within a bargaining unit pursuant to section 26 of this act, the Board shall order that each of the following be placed as a choice on the ballot for the election:
- (a) If applicable, the *[employee]* professional organization that requested the election pursuant to section 26 of this act;
- (b) If applicable, the <u>femployeef</u> <u>professional</u> organization that is presently designated as the bargaining agent of the bargaining unit;
- (c) Any other [employee] professional organization that, on or before the date that is prescribed by the rules adopted by the Board, files with the Board a written request to be placed on the ballot for the election and includes with the written request a list of its membership or other evidence showing that the [employee] professional organization represents at least 30 percent of the employees within the bargaining unit; and
  - (d) A choice for "no representation."
- 2. [If a] For an election in which the ballot [for an election] contains more than two choices [and]:
- (a) If a professional organization receives the vote of more than 50 percent of the employees in the bargaining unit, the Board shall designate the professional organization as the bargaining agent of the bargaining unit.
- (b) If the choice for "no representation" receives the vote of more than 50 percent of the employees in the bargaining unit, the Board shall designate the bargaining unit as being without a bargaining agent.
- (c) If none of the choices on the ballot receives <del>[a majority of the votes cast at the initial election,] the vote of more than 50 percent of the employees in the bargaining unit, the Board shall order a runoff election between the two choices on the ballot that received the highest number of votes at the initial election.</del>
- 3. [If] For an initial election or runoff election in which the ballot contains two choices:
- (a) If a professional organization receives the vote of more than 50 percent of the employees in the bargaining unit, the Board shall designate the professional organization as the bargaining agent of the bargaining unit.

- (b) If the choice for "no representation" receives fa majority of the votes east at the initial election or at any runoff election, the vote of more than 50 percent of the employees in the bargaining unit, the Board shall designate the bargaining unit as being without a bargaining agent.
- [4.] (c) If [an employee organization] none of the choices on the ballot receives [a majority of] the vote of more than 50 percent of the employees in the bargaining unit:
- (1) If the number of votes cast [at] in the [initial] election [or at any runoff election,] represents less than two-thirds of the employees in the bargaining unit, the Board shall order no change in the representation of the bargaining unit.
- (2) If the number of votes cast in the election represents two-thirds or more of the employees in the bargaining unit and a professional organization receives more than 50 percent of the votes cast in the election, the Board shall designate the [employee] professional organization as the bargaining agent of the bargaining unit.
- (3) If the number of votes cast in the election represents two-thirds or more of the employees in the bargaining unit and the choice of "no representation" receives more than 50 percent of the votes cast in the election, the Board shall designate the bargaining unit as being without a bargaining agent.
- Sec. 28. 1. The Board shall preside over all elections that are conducted pursuant to section 26 of this act and shall determine the eligibility requirements for employees to vote in any such election.
- 2. <u>[An employee]</u> A professional organization that is placed as a choice on the ballot for an election or any employee who is eligible to vote at an election may file with the Board a written objection to the results of the election. The objection must be filed not later than 10 days after the date on which the notice of the results of the election is given by the Board.
- 3. In response to a written objection filed pursuant to subsection 2 or upon its own motion, the Board may invalidate the results of an election and order a new election if the Board finds that any conduct or circumstances raise substantial doubt that the results of the election are reliable.
- Sec. 29. The Executive Department shall, on or before November 30 of each year, file with the Board a list of all [employee] professional organizations recognized by the Executive Department and a description of the bargaining unit for each [employee] professional organization.
- Sec. 30. 1. Each [employee] professional organization recognized by the Executive Department shall file a report with the Board during November of each year.
  - 2. The report required by this section shall include:
  - (a) The full name of the *[employee]* professional organization.
- (b) The name of the entity of the Executive Department which recognizes the *[employee]* professional organization.
  - (c) The names of the officers of the *[employee]* professional organization.

- (d) The total number of persons in each bargaining unit represented by the <del>[employee]</del> <u>professional</u> organization.
- (e) Copies of all changes in the *[employee]* professional organization's constitution or bylaws adopted during the preceding year.
- (f) The name, address and telephone number of the person designated by the <del>[employee]</del> <u>professional</u> organization to receive communications from the Board on business relating to the <del>[employee]</del> <u>professional</u> organization.
- (g) A copy of any collective bargaining agreement in effect between the [employee] professional organization and the Executive Department.
- 3. [An employee] A professional organization which has not previously been recognized by the Executive Department shall file the information required by this section within 30 days after recognition.
- Sec. 31. 1. The Executive Department shall determine, after consultation with each [employee] professional organization the Executive Department has recognized, which group or groups of its employees constitute an appropriate unit or units for negotiating. The primary criterion for that determination must be the community of interest among the employees concerned.
  - 2. A managerial employee must be excluded from any bargaining unit.
- 3. A supervisory employee as described in paragraph (a) of subsection 1 of NRS 288.075 must not be a member of the same bargaining unit as the employees under the direction of that supervisory employee. Any dispute between the parties as to whether an employee is a supervisor must be submitted to the Board. [An employee] A professional organization which is negotiating on behalf of two or more bargaining units may select members of the units to negotiate jointly on behalf of each other, even if one of the units consists of supervisory employees and the other unit does not.
- 4. Confidential employees must be excluded from any bargaining unit but are entitled to participate in any plan to provide benefits for a group that is administered by the bargaining unit of which they would otherwise be a member.
- 5. If any [employee] professional organization is aggrieved by the determination of a bargaining unit, it may appeal to the Board. Subject to judicial review, the decision of the Board is binding upon the Executive Department and [employee] professional organizations involved. The Board shall apply the same criterion as specified in subsection 1.
- Sec. 32. Subject to such reasonable regulations as the Board may prescribe:
  - 1. [An employee] A professional organization shall have the right to:
  - (a) At reasonable times, access areas in which employees work;
- (b) Use bulletin boards, mailboxes, electronic mail and other means of communication to communicate with employees at their workplace; and
- (c) At reasonable times, use the facilities of a workplace for the purpose of meetings concerned with the exercise of any rights guaranteed under the provisions of sections 12 to 43, inclusive, of this act.

- 2. A reasonable number of employees who are representatives of a bargaining agent shall have the right to receive reasonable periods of leave with no loss of pay to engage in meetings for the purposes of negotiation with the Executive Department, processing grievances and to represent employees during disciplinary, investigatory, grievance or other personnel proceedings.
- 3. [A representative of an employee] An employee in a bargaining unit that does not have a bargaining agent may represent himself or herself or be represented by another person, including without limitation, a person who is a representative of a professional organization [shall have the right to assist, advise or represent an employee] that has not been recognized by the Executive Department, during a disciplinary, investigatory, grievance or other personnel proceeding. [if the employee has chosen to be represented by the employee organization and:
- (a) The employee organization is the Any action taken on a request or in adjustment of a grievance must be consistent with the terms of an applicable negotiated agreement, if any.
- 4. An employee in a bargaining unit that has a bargaining agent for the bargaining unit of the employee; or
- (b) The] may represent himself or herself during a disciplinary, investigatory, grievance or other personnel proceeding if the employee is not a member of fa bargaining unit with a the professional organization that has been designated as the bargaining agent for the bargaining unit.
- Sec. 32.5. As soon as practicable after a professional organization is designated the bargaining agent of an unrepresented bargaining unit pursuant to sections 12 to 43, inclusive, of this act, the bargaining agent shall engage in collective bargaining with the Executive Department as required by section 24 of this act to establish a collective bargaining agreement with a term ending on June 30 of the next odd-numbered year.
- Sec. 33. 1. Whenever <u>[an employee]</u> a <u>professional</u> organization desires to negotiate concerning any matter which is subject to negotiation pursuant to the provisions of sections 12 to 43, inclusive, of this act, it shall give written notice of that desire to the Executive Department. If the subject of negotiation requires the budgeting of money by the Executive Department, the <u>[employee]</u> professional organization shall give notice at least 180 days prior to the beginning of the next fiscal year.
- 2. Following the notification provided for in subsection 1, the <code>femployeef professional organization</code> or the Executive Department may request reasonable information concerning any subject matter included in the scope of mandatory bargaining which it deems necessary for and relevant to the negotiations. The information requested must be furnished without unnecessary delay. The information must be accurate, and must be presented in a form responsive to the request and in the format in which the records containing it are ordinarily kept.
- 3. The parties shall <del>[promptly]</del> commence negotiations <del>[.]</del> <u>within 60 days</u> <u>following the notification provided for in subsection 1 or on or before</u>

<u>November 1 of each even-numbered year, whichever is earlier.</u> As the first step, the parties shall discuss the procedures to be followed if they are unable to agree on one or more issues.

- 4. This section does not preclude, but the provisions of sections 12 to 43, inclusive, of this act do not require, informal discussion between [amemployee] a professional organization and the Executive Department of any matter which is not subject to negotiation or contract under the provisions of sections 12 to 43, inclusive, of this act. Any such informal discussion is exempt from all requirements of notice or time schedule.
- Sec. 34. [1. At any time during negotiations between an employee organization and the Executive Department, a dispute may be submitted to a mediator if both parties agree. Within 120 days before a collective bargaining agreement expires according to its terms, or if there is no collective bargaining agreement after six or more meetings of negotiation, either party involved in negotiations may request a mediator. If the parties do not agree upon a mediator, the Commissioner shall submit to the parties a list of seven potential mediators who must:
- <del>(a) Be willing to serve as mediators;</del>
- (b) Be broadly representative of the public;
- (c) Have subject matter expertise: and
- (d) Not be closely allied with any employee organization or the Executive Department.
- 2. The parties shall select their mediator from the list by alternately striking one name until the name of only one mediator remains, who will be the mediator to hear the dispute. The employee organization shall strike the first name.
- 3. If mediation is agreed to or requested pursuant to subsection 1, the mediator must be selected at the time the parties agree upon a mediator or, if the parties do not agree upon a mediator, within 5 days after the parties receive the list of potential mediators from the Commissioner.
- -1. The mediator shall bring the parties together as soon as possible and, unless otherwise agreed upon by the parties, attempt to settle the dispute within 30 days after being notified of the mediator's selection as mediator. The mediator may establish the times and dates for meetings and compel the parties to attend but has no power to compel the parties to agree.
- 5. The Executive Department and employee organization each shall pay one half of the cost of mediation. Each party shall pay its own costs of preparation and presentation of its case in mediation.
- 6. If the dispute is submitted to a mediator and then submitted to a fact finder, the mediator shall, within 15 days after the last meeting between the parties, give to the Commissioner a report of the efforts made to settle the dispute. (Deleted by amendment.)
- Sec. 35. Whenever [an employee] a professional organization enters into negotiations with the Executive Department pursuant to sections 12 to 43,

inclusive, of this act such <del>[employee]</del> <u>professional</u> organization may be represented by an attorney licensed to practice law in the State of Nevada.

Sec. 36. [1. If:

- (a) The parties have failed to reach an agreement after at least six meetings of negotiations; and
- (b) The parties have participated in mediation and have not reached agreement after 30 days of mediation pursuant to subsection 4 of section 34 of this act.
- → either party to the dispute may submit the dispute to an impartial fact finder for the findings and recommendations of the fact finder. The findings and recommendations of the fact finder are not binding on the parties except as provided in subsections 5, 6 and 11. The mediator of a dispute may also be chosen by the parties to serve as the fact finder.
- 2. If the parties are unable to agree on an impartial fact finder or a panel of neutral arbitrators within 5 days, either party may request from the American Arbitration Association or the Federal Mediation and Conciliation Service a list of seven potential qualified fact finders who have subject matter expertise. If the parties are unable to agree upon which arbitration service should be used, the Federal Mediation and Conciliation Service must be used. Within 5 days after receiving a list from the applicable arbitration service, the parties shall select their fact finder from this list by alternately striking one name until the name of only one fact finder remains, who will be the fact finder to hear the dispute in question. The employee organization shall strike the first name.
- 3. The Executive Department and the employee organization each shall pay one half of the cost of fact finding. Each party shall pay its own costs of preparation and presentation of its case in fact-finding.
- 4. A schedule of dates and times for the hearing must be established within 10 days after the selection of the fact finder pursuant to subsection 2, and the fact finder shall report the findings and recommendations of the fact finder to the parties to the dispute within 30 days after the conclusion of the fact finding hearing.
- 5. The parties to the dispute may agree, before the submission of the dispute to fact finding, to make the findings and recommendations on all or any specified issues final and binding on the parties.
- 6. If the parties do not agree on whether to make the findings and recommendations of the fact finder final and binding, either party may request the formation of a panel to determine whether the findings and recommendations of a fact finder on all or any specified issues in a particular dispute which are within the scope of subsection 11 are to be final and binding. The determination must be made upon the concurrence of at least two members of the panel and not later than the date which is 30 days after the date on which the matter is submitted to the panel, unless that date is extended by the Commissioner. Each panel shall, when making its determination, consider whether the parties have bargained in good faith and whether it believes the

parties can resolve any remaining issues. Any panel may also consider the actions taken by the parties in response to any previous fact finding between these parties, the best interests of the State and all its citizens, the potential fiscal effect both within and outside the Executive Department, and any danger to the safety of the people of the State.

- 7. Except as otherwise provided in subsection 10, any fact finder, whether the fact finder's recommendations are to be binding or not, shall base such recommendations or award on the following criteria:
- —(a) A preliminary determination must be made as to the financial ability of the Executive Department based on all existing revenues available to the Executive Department, with due regard for the obligations and mission of the Executive Department.
- (b) Once the fact finder has determined in accordance with paragraph (a) that there is a current financial ability to grant monetary benefits, and subject to the provisions of paragraph (c), the fact finder shall consider, to the extent appropriate, compensation of other public and private employees, both in and out of the State and use normal criteria for interest disputes regarding the terms and provisions to be included in an agreement in assessing the reasonableness of the position of each party as to each issue in dispute and the fact finder shall consider whether the Board found that either party had bargained in bad faith.
- (c) A consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multiyear contract, the fact finder must consider the ability to pay over the life of the contract being negotiated or arbitrated.
- The fact finder's report must contain the facts upon which the fact finder based the fact finder's determination of financial ability to grant monetary benefits and the fact finder's recommendations or award.
- 8. Within 45 days after the receipt of the report from the fact finder, the entity of the Executive Department that is a party to the negotiations shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:
- (a) The issues of the parties submitted pursuant to subsection 3:
- (b) The report of findings and recommendations of the fact finder; and
- (e) The overall fiscal impact of the findings and recommendations, which must not include a discussion of the details of the report.
- ➡ The fact finder must not be asked to discuss the decision during the meeting.
- 9. The chief executive officer of the entity of the Executive Department that is a party to the negotiations shall report to his or her appointing authority the fiscal impact of the findings and recommendations. The report must include, without limitation, an analysis of the impact of the findings and recommendations on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment.
- 10. Any sum of money which is maintained in a fund whose balance is required by law to be:

- (a) Used only for a specific purpose other than the payment of compensation to the bargaining unit affected; or
- (b) Carried forward to the succeeding fiscal year in any designated amount, to the extent of that amount,
- must not be counted in determining the financial ability of the Executive Department and must not be used to pay any monetary benefits recommended or awarded by the fact finder.
- -11. The issues which may be included in a panel's order pursuant to subsection 6 are:
- (a) Those enumerated in subsection 2 of section 24 of this act as the subjects of mandatory bargaining; and
- (b) Those which an existing collective bargaining agreement between the parties makes subject to negotiation.
- → This subsection does not preclude the voluntary submission of other issues by the parties pursuant to subsection 5.] (Deleted by amendment.)
- Sec. 37. [Any request for the formation of a panel to determine whether the findings and recommendations of a fact finder must be final and binding must be filed with the Commissioner. The request must include:
- 1. A list of the issues which remain unresolved and the position of each party regarding those issues:
- 2. The requester's assessment of the fiscal effect on the Executive Department of the requester's positions;
- 3. An outline of any previous fact finding between the parties, which includes any recommendations and awards of a fact finder and the actions of each party in response thereto:
- 4. A statement of whether the parties engaged in mediation regarding the
- 5. A schedule of the dates and times set by the fact finder for the hearing;
- 6. Any other information deemed necessary by the Commissioner.
- → Any person filing such a request shall give written notice of the request to the Nevada State Board of Accountancy and the State Bar of Nevada.] (Deleted by amendment.)
- Sec. 38. [I. Within 5 days after receiving notice of a request to form a panel pursuant to section 37 of this act, the Nevada State Board of Accountancy and the State Bar of Nevada shall each submit to the Commissioner and each party to the dispute a list of names of five of their members who must:
- -(a) Be willing to serve on a panel;
- (b) Be broadly representative of the public;
- (c) Have subject matter expertise; and
- (d) Not be closely allied with any employee organization or the Executive Department.
- 2. Within 8 days after receiving the lists, the parties shall choose one name from each list by alternately striking one name until the names of only one

attorney and one accountant remain, who will each be a member of the panel. The parties shall choose the member from the list of accountants separately from their choice from the list of attorneys. The parties shall notify the Commissioner of their selections and the Commissioner shall notify the attorney and accountant selected.

- 3. Within 5 days after receiving notice of their selection, the attorney and accountant shall:
- (a) Choose the third member of the panel, who must:
  - (1) Be willing to serve on the panel;
  - (2) Have subject matter expertise;
- (3) Be a resident of this State; and
- (4) Not be closely allied with any employee organization or the Executive Department.
- (b) Notify the Commissioner of their choice, and the three members shall, within 5 days after selecting the third member of the panel, notify the Commissioner of the dates when they will all be available to attend hearings.
- 4. The Commissioner shall serve as a nonvoting member and also as the chair of the panel.
- 5. If the accountant or attorney selected to serve on the panel is unable to do so, the Nevada State Board of Accountancy or State Bar of Nevada shall designate a person to replace its nominee. If the person selected by the accountant and attorney is unable to serve, the accountant and attorney shall designate another person as a replacement. If the Commissioner is unable to serve, the Governor shall designate a person to serve in the Commissioner's capacity.] (Deleted by amendment.)
- Sec. 39. [1. Each person, except the Commissioner, who serves on a
- (a) Compensation of not less than \$150 for each day the person is engaged in the business of the panel, to a maximum of \$1,000 per case, unless otherwise authorized by the Commissioner for good cause shown; and
- (b) The per diem allowance and travel expenses provided for state officers and employees generally.
- 2. Unless otherwise agreed upon by the parties, the Executive Department and employee organization each shall pay one-half of the cost of all claims which arise pursuant to this section.] (Deleted by amendment.)
- Sec. 39.3. <u>1. Either party may request a mediator from the Federal Mediation and Conciliation Service if the parties do not reach a collective bargaining agreement:</u>
- (a) Within 120 days after the date on which the parties began negotiations or on or before February 1 of an odd-numbered year, whichever is earlier; or (b) On or before any later date set by agreement of the parties.
- 2. A mediator appointed pursuant to subsection 1 shall bring the parties together as soon as possible after his or her appointment and shall attempt to settle each issue in dispute within 21 days after his or her appointment or any later date set by agreement of the parties.

- Sec. 39.6. 1. If a mediator appointed pursuant to section 39.3 of this act determines that his or her services are no longer helpful, or if the parties do not reach a collective bargaining agreement through mediation within 21 days after the appointment of the mediator or on or before any later date set by agreement of the parties, the mediator shall discontinue mediation and the parties shall attempt to agree upon an impartial arbitrator. Any proposal that conflicts or is otherwise inconsistent with any provision of state law, other than the provisions of chapters 284 and 287 of NRS, shall be considered withdrawn by the proposing party when mediation is discontinued.
- 2. If the parties do not agree upon an impartial arbitrator within 5 days after the date on which mediation is discontinued pursuant to subsection 1 or on or before any later date set by agreement of the parties, the parties shall request from the Federal Mediation and Conciliation Service a list of seven potential arbitrators. The parties shall select an arbitrator from this list by alternately striking one name until the name of only one arbitrator remains, and that arbitrator must hear the dispute in question. The party who will strike the first name must be determined by a coin toss.
- 3. The arbitrator shall begin arbitration proceedings on or before March 1 or any later date set by agreement of the parties.
- 4. The arbitrator and the parties shall apply and follow the procedures for arbitration that are prescribed by any rules adopted by the Board pursuant to NRS 288.110. During arbitration, the parties retain their respective duties to negotiate in good faith.
- 5. The arbitrator may administer oaths or affirmations, take testimony and issue and seek enforcement of a subpoena in the same manner as the Board pursuant to NRS 288.120, and, except as otherwise provided in subsection 7, the provisions of NRS 288.120 apply to any subpoena issued by the arbitrator.
- 6. The arbitrator shall render a decision on or before March 15 or any later date set by agreement of the parties.
- 7. The Executive Department and the bargaining agent shall each pay one-half of the cost of arbitration.
- Sec. 39.8. 1. For issues in dispute after arbitration proceedings are held pursuant to section 39.6 of this act, the arbitrator shall incorporate either the final offer of the Executive Department or the final offer of the bargaining agent into his or her decision. The decision of the arbitrator must be limited to a selection of one of the two final offers of the parties. The arbitrator shall not revise or amend the final offer of either party on any issue.
- 2. To determine which final offer to incorporate into his or her decision, the arbitrator shall assess the reasonableness of:
- (a) The position of each party as to each issue in dispute; and
- (b) The contractual terms and provisions contained in each final offer.
- 3. In assessing reasonableness pursuant to subsection 2, the arbitrator shall:
- (a) Compare the salaries, wages, hours and other terms and conditions of employment for the employees within the bargaining unit with the salaries.

- wages, hours and other terms and conditions of employment for other employees performing similar services and for other employees generally:
  - (1) In public employment in comparable communities or institutions; and
- (2) In private employment in comparable communities or institutions; and
- (b) Consider, without limitation:
- (1) The financial ability of the State to pay the costs associated with the proposed collective bargaining agreement, with due regard for the primary obligation of the State to safeguard the health, safety and welfare of the people of this State;
- (2) The average prices paid by consumers for goods and services in the geographic location where the employees work; and
- (3) Such other factors as are normally or traditionally used as part of collective bargaining, mediation, arbitration or other methods of dispute resolution to determine the salaries, wages, hours and other terms and conditions of employment for employees in public or private employment.
- 4. The decision of the arbitrator is final and binding upon the parties.
- Sec. 40. 1. If there is a conflict between any provisions of a collective bargaining agreement between the Executive Department and a bargaining agent and:
- (a) Any policy, procedure or regulation adopted by the Executive Department, the provision of the collective bargaining agreement prevails unless the provision of the agreement is outside the lawful scope of collective bargaining.
- (b) An existing statute, other than a *[provision of chapter 284 of NRS,]* statute described in paragraph (c), the provision of the agreement may not be given effect unless the Legislature amends the existing statute in such a way as to eliminate the conflict.
- (c) A provision of chapter 284 or 287 of NRS [1,1] or sections 39.3, 39.6 or 39.8 of this act, the provisions of the agreement prevails unless the Legislature is required to appropriate money to implement the provisions, within the limits of legislative appropriations and any other available money.
  - 2. If a provision of a collective bargaining agreement:
- (a) Does not require an act of the Legislature to be given effect, the provision becomes effective in accordance with the terms of the agreement.
  - (b) Requires an act of the Legislature to be given effect:
- (1) The Governor shall request the drafting of a legislative measure pursuant to NRS 218D.175 to effectuate the provision; and
- (2) The provision becomes effective, if at all, on the date on which the act of the Legislature becomes effective.
- Sec. 41. The following proceedings, required by or pursuant to this chapter, are not subject to any provision of NRS which requires a meeting to be open or public:

- 1. Any negotiation or informal discussion between the Executive Department and [an employee] a professional organization or employees as individuals.
- 2. Any meeting of a mediator with either party or both parties to a negotiation.
  - 3. Any meeting or investigation conducted by a fact finder.
- 4. Any meeting of the Executive Department with its management representative or representatives.
- 5. Deliberations of the Board toward a decision on a complaint, appeal or petition for declaratory relief.
- Sec. 42. 1. It is a prohibited practice for the Executive Department or its designated representative willfully to:
- (a) Interfere, restrain or coerce any employee in the exercise of any right guaranteed pursuant to sections 12 to 43, inclusive, of this act.
- (b) Dominate, interfere or assist in the formation or administration of any *[employee]* professional organization.
- (c) Discriminate in regard to hiring, tenure or any term or condition of employment to encourage or discourage membership in any <del>[employee]</del> <u>professional</u> organization.
- (d) Discharge or otherwise discriminate against any employee because the employee has signed or filed an affidavit, petition or complaint or given any information or testimony pursuant to sections 12 to 43, inclusive, of this act or because the employee has formed, joined or chosen to be represented by any [employee] professional organization.
- (e) Refuse to bargain collectively in good faith with a bargaining agent as required in section 24 of this act. Bargaining collectively includes the entire bargaining process, including mediation <u>and fact-finding</u>, provided for in the provisions of sections 12 to 43, inclusive, of this act.
- (f) Discriminate because of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, national origin, or because of political or personal reasons or affiliations.
  - (g) Fail to provide the information required by section 33 of this act.
  - (h) Fail to comply with the requirements of NRS 281.755.
- (i) Deny to <del>[employee]</del> <u>professional</u> organizations the rights guaranteed to them under this act.
- 2. It is a prohibited practice for <del>[an employee]</del> a professional organization or its designated agent willfully to:
- (a) Interfere with, restrain or coerce any employee in the exercise of any right guaranteed under the provisions of sections 12 to 43, inclusive, of this act.
- (b) Refuse to bargain collectively in good faith with the Executive Department, if it is a bargaining agent, as required by section 24 of this act. Bargaining collectively includes the entire bargaining process, including mediation <u>arbitration</u> and <u>ffact finding</u>, provided for in the provisions of sections 12 to 43, inclusive, of this act.

- (c) Discriminate because of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, national origin, or because of political or personal reasons or affiliations.
  - (d) Fail to provide the information required by section 33 of this act.
- Sec. 43. Any dispute concerning prohibited practices may be submitted to the Board in the same manner and with the same effect as provided in NRS 288.110, except that an alleged failure to provide information as provided by subsection 2 of section 33 of this act must be heard and determined by the Board as soon as possible after the complaint is filed with the Board.
  - Sec. 44. NRS 288.010 is hereby amended to read as follows:
- 288.010 This chapter may be cited as the <del>[Local]</del> Government Employee-Management Relations Act.
  - Sec. 45. NRS 288.020 is hereby amended to read as follows:
- 288.020 As used in [this chapter,] NRS 288.140 to 288.220, inclusive, 288.270 and 288.280, unless the context otherwise requires, the words and terms defined in NRS 288.025 to 288.075, inclusive, have the meanings ascribed to them in those sections.
  - Sec. 46. [NRS 288:040 is hereby amended to read as follows:
- 288.040 "Employee organization" means an organization of any kind having as one of its purposes improvement of the terms and conditions of employment of state or local government employees.] (Deleted by amendment.)
  - Sec. 47. NRS 288.080 is hereby amended to read as follows:
- 288.080 1. The [Local] Government Employee-Management Relations Board is hereby created, consisting of five members, broadly representative of the public and not closely allied with any employee organization [or], professional organization, the Executive Department or any local government employer, not more than three of whom may be members of the same political party, and at least three of whom must reside in southern Nevada. The term of office of each member is 4 years.
  - 2. The Governor shall appoint the members of the Board.
  - Sec. 48. NRS 288.090 is hereby amended to read as follows:
- 288.090 1. The members of the Board shall annually elect one of their number as Chair and one as Vice Chair. Except as otherwise provided in this section, any three members of the Board constitute a quorum, and a majority of a quorum present at any meeting may exercise all the power and authority conferred on the Board.
- 2. Except by a majority vote of the entire membership of the Board, the Board may not:
  - (a) Elect a Chair or Vice Chair;
- (b) Appoint the Commissioner or Secretary of the Board, or terminate the employment of the Commissioner or Secretary;
- (c) Adjust the fee charged to local government employers *or the Executive Department* pursuant to NRS 288.105 or *section 22 of this act or* impose a civil penalty for failure to pay the fee;

- (d) Make or adopt any rule or regulation; or
- (e) Grant permission to a local government employer or the Executive Department to withdraw recognition from an employee organization pursuant to NRS 288.160 or a professional organization pursuant to section 25 of this act or order an election pursuant to NRS 288.160 [...] or section 26 of this act.
- 3. Whenever less than five members of the Board are present at any meeting, not more than two of the members present may be members of the same political party.
- 4. The Board may, within the limits of legislative appropriations and any other available money:
- (a) Appoint a Commissioner and a Secretary, who are in the unclassified service of the State; and
- (b) Employ such additional clerical personnel as may be necessary, who are in the classified service of the State.
  - Sec. 49. NRS 288.110 is hereby amended to read as follows:
  - 288.110 1. The Board may make rules governing:
  - (a) Proceedings before it;
  - (b) Procedures for fact-finding;
- (c) The recognition, as defined in NRS 288.067 or section 20 of this act, of employee organizations  $\frac{\{\cdot\}}{\{\cdot\}}$  and professional organizations; and
  - (d) The determination of bargaining units.
- 2. The Board may hear and determine any complaint arising out of the interpretation of, or performance under, the provisions of this chapter by the Executive Department, any local government employer, any employee, as defined by section 17 of this act, any local government employee, for employee organization [...] or professional organization. Except as otherwise provided in this subsection and NRS 288.115 and 288.280, the Board shall conduct a hearing within 180 days after it decides to hear a complaint. If a complaint alleges a violation of paragraph (e) of subsection 1 of NRS 288.270 or paragraph (b) of subsection 2 of [that section.] NRS 288.270, paragraph (e) of subsection 1 of section 42 of this act or paragraph (b) of subsection 2 of section 42 of this act, the Board shall conduct a hearing not later than 45 days after it decides to hear the complaint, unless the parties agree to waive this requirement. The Board, after a hearing, if it finds that the complaint is well taken, may order any person or entity to refrain from the action complained of or to restore to the party aggrieved any benefit of which the party has been deprived by that action. Except when an expedited hearing is conducted pursuant to NRS 288.115, the Board shall issue its decision within 120 days after the hearing on the complaint is completed.
- 3. Any party aggrieved by the failure of any person to obey an order of the Board issued pursuant to subsection 2, or the Board at the request of such a party, may apply to a court of competent jurisdiction for a prohibitory or mandatory injunction to enforce the order.
- 4. The Board may not consider any complaint or appeal filed more than 6 months after the occurrence which is the subject of the complaint or appeal.

- 5. The Board may decide without a hearing a contested matter:
- (a) In which all of the legal issues have been previously decided by the Board, if it adopts its previous decision or decisions as precedent; or
  - (b) Upon agreement of all the parties.
- 6. The Board may award reasonable costs, which may include attorneys' fees, to the prevailing party.
- 7. As used in this section, "bargaining unit" has the meaning ascribed to it in NRS 288.028 or section 15 of this act.
  - Sec. 49.5. NRS 288.250 is hereby amended to read as follows:
- 288.250 1. If a strike is commenced or continued in violation of an order issued pursuant to NRS 288.240, the court may:
- (a) Punish [the] <u>each</u> employee organization or [<u>organizations</u>] <u>professional</u> <u>organization</u> guilty of such violation by a fine of not more than \$50,000 against each organization for each day of continued violation.
- (b) Punish any officer of an employee organization <u>or professional</u> <u>organization</u> who is wholly or partly responsible for such violation by a fine of not more than \$1,000 for each day of continued violation, or by imprisonment as provided in NRS 22.110.
- (c) Punish any employee of the State or of a local government employer who participates in such strike by ordering the dismissal or suspension of such employee.
- 2. Any of the penalties enumerated in subsection 1 may be applied alternatively or cumulatively, in the discretion of the court.
  - Sec. 50. NRS 241.016 is hereby amended to read as follows:
- 241.016 1. The meetings of a public body that are quasi-judicial in nature are subject to the provisions of this chapter.
  - 2. The following are exempt from the requirements of this chapter:
  - (a) The Legislature of the State of Nevada.
- (b) Judicial proceedings, including, without limitation, proceedings before the Commission on Judicial Selection and, except as otherwise provided in NRS 1.4687, the Commission on Judicial Discipline.
- (c) Meetings of the State Board of Parole Commissioners when acting to grant, deny, continue or revoke the parole of a prisoner or to establish or modify the terms of the parole of a prisoner.
- 3. Any provision of law, including, without limitation, NRS 91.270, 219A.210, 228.495, 239C.140, 281A.350, 281A.690, 281A.735, 281A.760, 284.3629, 286.150, 287.0415, 287.04345, 287.338, 288.220, 289.387, 295.121, 360.247, 388.261, 388A.495, 388C.150, 388G.710, 388G.730, 392.147, 392.467, 394.1699, 396.3295, 433.534, 435.610, 463.110, 622.320, 622.340, 630.311, 630.336, 631.3635, 639.050, 642.518, 642.557, 686B.170, 696B.550, 703.196 and 706.1725, and section 41 of this act, which:
- (a) Provides that any meeting, hearing or other proceeding is not subject to the provisions of this chapter; or
- (b) Otherwise authorizes or requires a closed meeting, hearing or proceeding,

- → prevails over the general provisions of this chapter.
- 4. The exceptions provided to this chapter, and electronic communication, must not be used to circumvent the spirit or letter of this chapter to deliberate or act, outside of an open and public meeting, upon a matter over which the public body has supervision, control, jurisdiction or advisory powers.
  - Sec. 51. NRS 280.320 is hereby amended to read as follows:
- 280.320 1. A department is a local government employer for the purpose of the [Local] Government Employee-Management Relations Act and a public employer for the purpose of the Public Employees' Retirement Act.
  - 2. In negotiations arising under the provisions of chapter 288 of NRS:
- (a) The committee or two or more persons designated by the committee; and
- (b) The sheriff or a person designated by the sheriff,
- → shall represent the department.
- 3. In negotiations arising under the provisions of chapter 288 of NRS, a school police unit must be considered a separate bargaining unit.
  - Sec. 52. NRS 354.695 is hereby amended to read as follows:
- 354.695 1. As soon as practicable after taking over the management of a local government, the Department shall, with the approval of the Committee:
- (a) Establish and implement a management policy and a financing plan for the local government;
- (b) Provide for the appointment of a financial manager for the local government who is qualified to manage the fiscal affairs of the local government;
- (c) Provide for the appointment of any other persons necessary to enable the local government to provide the basic services for which it was created in the most economical and efficient manner possible;
- (d) Establish an accounting system and separate accounts in a bank or credit union, if necessary, to receive and expend all money and assets of the local government;
  - (e) Impose such hiring restrictions as deemed necessary;
- (f) Negotiate and approve all contracts entered into by or on behalf of the local government before execution and enter into such contracts on behalf of the local government as the Department deems necessary;
- (g) Negotiate and approve all collective bargaining contracts and other employment contracts to be entered into by the local government with an employee organization or any employee, except that the Department shall not negotiate or approve issues submitted to a fact finder whose findings and recommendations are final and binding pursuant to the provisions of the [Local] Government Employee-Management Relations Act;
- (h) If the Committee made a recommendation to the Commission that a severe financial emergency exists in the local government based upon the existence of one or more conditions described in paragraph (c), (d), (g), (h), (n), (o), (p), (r) or (aa) of subsection 2 of NRS 354.685:

- (1) Open and renegotiate in good faith, or assist the local government in renegotiating, any existing collective bargaining agreement or other employment contract relating to compensation or monetary benefits during the period of severe financial emergency; and
- (2) Assume all rights, duties and powers pursuant to NRS 288.150 that are otherwise reserved to the local government during a period of severe financial emergency;
- (i) Approve all expenditures of money from any fund or account and all transfers of money from one fund to another;
- (j) Employ such technicians as are necessary for the improvement of the financial condition of the local government;
- (k) Meet with any holders and the creditors of the local government to negotiate in good faith and formulate a debt liquidation program that may include, without limitation, the adjustment of bonded indebtedness by the exchange of existing bonds for new bonds with a later maturity date and a different interest rate;
- (l) If the Department has taken over the management of a local government because the local government is involved in litigation or threatened litigation, carry out the duties of the Department pursuant to subsection 2 of NRS 31.010;
- (m) Approve the issuance of bonds or other forms of indebtedness by the local government;
- (n) Discharge any of the outstanding debts and obligations of the local government; and
- (o) Take any other actions necessary to ensure that the local government provides the basic functions for which it was created in the most economical and efficient manner possible.
- 2. The Department may provide for reimbursement from the local government for the expenses the Department incurs in managing the local government. If such reimbursement is not possible, the Department may request an allocation by the Interim Finance Committee from the Contingency Account pursuant to NRS 353.266, 353.268 and 353.269.
- 3. The governing body of a local government which is being managed by the Department pursuant to this section may make recommendations to the Department or the financial manager concerning the management of the local government.
- 4. Each state agency, board, department, commission, committee or other entity of the State shall provide such technical financial assistance concerning the management of the local government as is requested by the Department.
- 5. The Department may delegate any of the powers and duties imposed by this section to the financial manager appointed pursuant to paragraph (b) of subsection 1. A financial manager acting within the scope of his or her delegation pursuant to this subsection is responsible only to the Department for his or her actions.
- 6. Except as otherwise provided in NRS 354.723 and 450.760, once the Department has taken over the management of a local government pursuant to

the provisions of subsection 1, that management may only be terminated pursuant to NRS 354.725.

- Sec. 53. NRS 386.365 is hereby amended to read as follows:
- 386.365 1. Except as provided in subsection 3, each board of trustees in any county having a population of 100,000 or more shall give 13 days' notice of its intention to adopt, repeal or amend a policy or regulation of the board concerning any of the subjects set forth in subsection 4. The notice must:
- (a) Include a description of the subject or subjects involved and must state the time and place of the meeting at which the matter will be considered by the board; and
  - (b) Be mailed to the following persons from each of the schools affected:
    - (1) The principal;
    - (2) The president of the parent-teacher association or similar body; and
- (3) The president of the classroom teachers' organization or other collective bargaining agent.
- → A copy of the notice and of the terms of each proposed policy or regulation, or change in a policy or regulation, must be made available for inspection by the public in the office of the superintendent of schools of the school district at least 13 days before its adoption.
- 2. All persons interested in a proposed policy or regulation or change in a policy or regulation must be afforded a reasonable opportunity to submit data, views or arguments, orally or in writing. The board of trustees shall consider all written and oral submissions respecting the proposal or change before taking final action.
- 3. Emergency policies or regulations may be adopted by the board upon its own finding that an emergency exists.
  - 4. This section applies to policies and regulations concerning:
  - (a) Attendance rules:
  - (b) Zoning;
  - (c) Grading;
  - (d) District staffing patterns;
  - (e) Curriculum and program;
  - (f) Pupil discipline; and
- (g) Personnel, except with respect to dismissals and refusals to reemploy covered by contracts entered into as a result of the [Local] Government Employee-Management Relations Act, as provided in NRS 391.660.
  - Sec. 54. NRS 597.995 is hereby amended to read as follows:
- 597.995 1. Except as otherwise provided in subsection 3, an agreement which includes a provision which requires a person to submit to arbitration any dispute arising between the parties to the agreement must include specific authorization for the provision which indicates that the person has affirmatively agreed to the provision.
- 2. If an agreement includes a provision which requires a person to submit to arbitration any dispute arising between the parties to the agreement and the

agreement fails to include the specific authorization required pursuant to subsection 1, the provision is void and unenforceable.

- 3. The provisions of this section do not apply to an agreement that is a collective bargaining agreement. As used in this subsection, "collective bargaining" has the meaning ascribed to it in [NRS 288.033.] section 6 of this act.
- Sec. 55. 1. Insofar as they conflict with the provisions of such an agreement, the amendatory provisions of this act do not apply during the current term of any collective bargaining agreement entered into before the effective date of this act, but do apply to any extension or renewal of such an agreement and to any such agreement entered into on or after the effective date of this act.
- 2. If the Executive Department has established a bargaining unit for any of its employees or has recognized [an employee] a professional organization as a bargaining agent for a bargaining unit as of the effective date of this act, such bargaining unit or bargaining agent shall be deemed the bargaining unit or bargaining agent representing the same employees on and after the effective date of this act until such time, if any, the bargaining unit or bargaining agent is changed or modified in accordance with the provisions of this act.
  - 3. As used in this section:
- (a) "Bargaining agent" has the meaning ascribed to it in section 14 of this act.
  - (b) "Bargaining unit" has the meaning ascribed to it in section 15 of this act.
  - (c) "Employee" has the meaning ascribed to it in section 17 of this act.
- (d) "Professional organization" has the meaning ascribed to it in section 10.5 of this act.
- Sec. 56. NRS 288.030, 288.033, 288.034, 288.045, 288.063 and 288.070 are hereby repealed.
  - Sec. 57. This act becomes effective upon passage and approval.

## LEADLINES OF REPEALED SECTIONS

- 288.030 "Board" defined.
- 288.033 "Collective bargaining" defined.
- 288.034 "Commissioner" defined.
- 288.045 "Fact-finding" defined.
- 288.063 "Mediation" defined.
- 288.070 "Strike" defined.

Senator Parks moved the adoption of the amendment.

## Remarks by Senator Parks.

Amendment No. 540 to Senate Bill No. 459 does the following: among various revisions, the amendment changes "employee organization" to "professional organization" to avoid any confusion with employee organizations for local government; changes the definition of temporary employee from "4 months" to "90 calendar days or less" to capture higher-education employees contracted on a semester-by-semester basis, and provides for binding arbitration for resolution of grievances. I encourage your support.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 462.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 558.

SUMMARY—Revises provisions relating to constables. (BDR 20-754)

AN ACT relating to constables; <u>defining "enterprise fund"</u>; revising certain requirements for constables in certain townships to become certified as a category I or category II peace officer; <u>revising certain provisions to fill a vacancy in the office of constable</u>; <u>providing the <u>lappointment andly</u> compensation of <u>lal certain deputy leonstable</u> constables is subject to the approval of the board of county commissioners; <u>prohibiting certain staff of a constable from carrying or possessing a firearm; requiring a court to collect and forward certain fees related to improper vehicle registration to a constable; revising certain <u>provisions relating to fees a constable</u> is entitled to receive; designating the office of constable as nonpartisan; and providing other matters properly relating thereto.</u></u>

Legislative Counsel's Digest:

Existing law requires each constable and deputy constable to be certified as a category II peace officer in a township whose population: (1) is 100,000 or more, if the township is in a county whose population is 700,000 or more (currently Clark County); and (2) is 250,000 or more, if the township is in a county whose population is less than 700,000 (currently all counties other than Clark County). (NRS 258.007, 258.060) Sections [11] 1.5 and 2 of this bill instead require each constable to be certified as a category I or category II peace officer and each deputy constable to be certified as a category I or category II peace officer: (1) in a township whose population is 15,000 or more; or (2) a township that has within its boundaries a city whose population is 15,000 or more. Section 1.5 also requires a candidate for constable in a township whose population is 100.000 or more to be certified as a category I or category II peace officer before filing a declaration of candidacy for the office. Section 1.5 further provides that a constable forfeits his or her office if he or she fails to obtain or maintain the required certification as a category I or category II peace officer.

Existing law requires the board of county commissioners to appoint a person to fill a vacancy in the office of constable of any township, except for a township that the board has determined does not require an office of constable. (NRS 258.030) Section 1.7 of this bill requires the board of county

commissioners to fill a vacancy not later than 60 days after the occurrence of the vacancy.

Existing law authorizes all constables to appoint deputy constables and are responsible for the compensation of such deputy constables. (NRS 258.060) Section 2 provides that if the [appointment and compensation of] constable of an office established as an enterprise fund appoints a deputy constable [is subject to the approval of], the compensation of the deputy constable must be approved by the board of county commissioners.

Existing law prohibits a person employed as clerical or operational staff of a constable from possessing or carrying a concealed firearm. (NRS 258.065) Section 2.3 of this bill prohibits a person employed as clerical or operational staff of a constable from possessing or carrying any firearm, including a concealed firearm.

Existing law authorizes a constable to issue a citation to certain owners or drivers whose vehicle is not properly registered and collect a fee from such a person. (NRS 258.070) Section 2.7 of this bill requires a court which imposes punishment upon the person to collect the fee and forward it to the constable who issued the citation.

Existing law establishes that a constable is entitled to receive certain fees for serving a summons or other process in a civil case, executing an order of arrest in a civil case and for collecting sums on execution or writ: (1) 2 percent of the first \$3,500; and (2) one-half of 1 percent on all amounts over the first \$3,500. A constable is also entitled to receive his or her actual expenses for taking care of property under certain circumstances and for executing an order of arrest in civil cases. (NRS 258.125) Section 3 of this bill expands the authority of a constable to receive fees for serving a summons or executing an order in a civil case and increases the amount that a constable is entitled to receive for collecting sums on execution or writ on amounts over the first \$3,500 to 1 percent. Section 3 provides that a constable is entitled to receive compensation for his or her trouble and expenses. Section 3 further requires a constable of an office established as an enterprise fund to account for and forward every 5 business days any fees received within the preceding period.

Existing law designates certain offices as nonpartisan. (NRS 293.195) Section 4 of this bill includes the office of constable in those offices which are designated nonpartisan. Section 5 of this bill provides that this designation does not apply to a constable who is in office on October 1, 2019, unless he or she is elected or appointed to a term of office on or after October 1, 2019.

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

Section 1. Chapter 258 of NRS is hereby amended by adding thereto a new section to read as follows:

"Enterprise fund" has the meaning ascribed to it in NRS 354.517.

Sec. 1.3. NRS 258.001 is hereby amended to read as follows:

258.001 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 258.002, 258.003 and 258.004 <u>and section 1</u> <u>of this act</u> have the meanings ascribed to them in those sections.

[Section 1.] Sec. 1.5. NRS 258.007 is hereby amended to read as follows:

258.007 1. [Each] Except as otherwise provided in subsection 2, each constable of a township whose population is [100,000] 15,000 or more [and which is located in a county whose population is 700,000 or more, and each constable of] or a township that has within its boundaries a city whose population is [250,000] 15,000 or more [and which is located in a county whose population is less than 700,000,] shall become certified by the Peace Officers' Standards and Training Commission as a category I or category II peace officer within 1 year after the date on which the constable commences his or her term of office or appointment unless

the Commission, for good cause shown, grants in writing an extension of time, which must not exceed 6 months.

- 2. [If a constable does not comply with the provisions of subsection 1, the] Any person who is a candidate for the office of constable in a township whose population is 100,000 or more must be certified by the Peace Officers' Standards and Training Commission as a category I or category II peace officer before filing a declaration of candidacy for the office. A person who does not comply with the provisions of this subsection is not eligible to be a candidate for the office of constable.
- <u>3.</u> A constable forfeits his or her office and a vacancy is created which must be filled in accordance with NRS 258.030  $\stackrel{\square}{\leftarrow}$  if the constable:
- (a) Does not become certified by the Peace Officers' Standards and Training Commission as required pursuant to subsection 1; or
- (b) Does not maintain the certification by the Peace Officers' Standards and Training Commission required pursuant to subsections 1 or 2 during his or her term of office.
  - Sec. 1.7. NRS 258.030 is hereby amended to read as follows:
- 258.030 Except for those townships that the boards of county commissioners have determined do not require an office of constable, if any vacancy exists or occurs in the office of constable in any township [5, the]:
- 1. The clerk of the board of commissioners shall certify the vacancy to the Secretary of State not later than 10 days after the vacancy occurs; and
- 2. The board of county commissioners shall appoint a person to fill the vacancy pursuant to NRS 245.170 [-] not later than 60 days after the vacancy occurs.
  - Sec. 2. NRS 258.060 is hereby amended to read as follows:
- 258.060 1. All constables may appoint deputies, *[subject to the approval of the board of county commissioners]* who are authorized to transact all official business pertaining to the office to the same extent as their principals. A person must not be appointed as a deputy constable unless the person has been a resident of the State of Nevada for at least 6 months before the date of

the appointment. A person who is appointed as a deputy constable in a township whose population is [100,000] 15,000 or more [and which is located in a county whose population is 700,000 or more or a deputy constable of] or a township that has within its boundaries a city whose population is [250,000] 15,000 or more [and which is located in a county whose population is less than 700,000] may not commence employment as a deputy constable until the person is certified by the Peace Officers' Standards and Training Commission as a category I or category II peace officer. The appointment of a deputy constable must not be construed to confer upon that deputy policymaking authority for the office of the county constable or the county by which the deputy constable is employed.

- 2. Constables are responsible for the compensation of their deputies  $\frac{f_{\tau}}{f_{\tau}}$  subject to the approval of the board of county commissioners,  $f_{\tau}$  and are responsible on their official bonds for all official malfeasance or nonfeasance of the same. Bonds for the faithful performance of their official duties may be required of the deputies by the constables.
- 3. If a constable of an office established by the board of county commissioners as an enterprise fund appoints a deputy, the compensation of the deputy must be approved by the board of county commissioners.
- <u>4.</u> All appointments of deputies under the provisions of this section must be in writing and must, together with the oath of office of the deputies, be filed and recorded within 30 days after the appointment in a book provided for that purpose in the office of the recorder of the county within which the constable legally holds and exercises his or her office. Revocations of such appointments must also be filed and recorded as provided in this section within 30 days after the revocation of the appointment. From the time of the filing of the appointments or revocations therein, persons shall be deemed to have notice of the same.
  - Sec. 2.3. NRS 258.065 is hereby amended to read as follows:
- 258.065 1. The constable of a township may, subject to the approval of the board of county commissioners, appoint such clerical and operational staff as the work of the constable requires. The compensation of any person so appointed must be fixed by the board of county commissioners.
  - 2. A person who is employed as clerical or operational staff of a constable:
  - (a) Does not have the powers of a peace officer; and
- (b) May not possess a weapon or carry a <del>[concealed]</del> firearm, regardless of whether the person possesses a permit to carry a concealed firearm issued pursuant to NRS 202.3653 to 202.369, inclusive, while performing the duties of the office of the constable.
- 3. The board of county commissioners may appoint for the constable of a township a reasonable number of clerks. The compensation of any clerk so appointed must be fixed by the board of county commissioners.
- 4. A constable's clerk shall take the constitutional oath of office and give bond in the sum of \$2,000 for the faithful discharge of the duties of the office,

and in the same manner as is or may be required of other officers of that township and county.

- 5. A constable's clerk shall do all clerical work in connection with keeping the records and files of the office, and shall perform such other duties in connection with the office as the constable shall prescribe.
  - Sec. 2.7. NRS 258.070 is hereby amended to read as follows:
- 258.070 1. Subject to the provisions of subsections 2 and 3, each constable shall:
  - (a) Be a peace officer.
- (b) Execute the process, writs or warrants of courts of justice, judicial officers and coroners, when delivered to the constable for that purpose.
  - (c) Discharge such other duties as are or may be prescribed by law.
- 2. Subject to the provisions of subsection 3, a constable or deputy constable has the powers of a peace officer:
  - (a) For the discharge of duties as are or may be prescribed by law;
- (b) For the purpose of arresting a person for a public offense committed or attempted in the presence of the constable or deputy constable, if the constable or deputy constable has reasonable cause to believe that the arrest is necessary to prevent harm to other persons or the escape of the person who committed or attempted the public offense; and
  - (c) In addition to the circumstances described in paragraphs (a) and (b):
- (1) In an area within the limits of an incorporated city, for the purposes authorized by and with the consent of the chief of police of the city; and
- (2) In an area that is not within the limits of an incorporated city, for the purposes authorized by and with the consent of the sheriff of the county.
- 3. The constable and each deputy constable of a township shall not carry a firearm in the performance of his or her duties unless:
- (a) The constable has adopted a written policy on the use of deadly force by the constable and each deputy constable; and
- (b) The constable and each deputy constable has received training regarding the policy.
- 4. A constable or deputy constable authorized to carry a firearm pursuant to subsection 3 must receive training approved by the Peace Officers' Standards and Training Commission in the use of firearms at least once every 6 months.
- 5. A constable or deputy constable who wears a uniform in the performance of his or her duties shall display prominently as part of that uniform a badge, nameplate or other uniform piece which clearly displays the name or an identification number of the constable or deputy constable.
- 6. Pursuant to the procedures and subject to the limitations set forth in chapters 482 and 484A to 484E, inclusive, of NRS, a constable may issue a citation to an owner or driver, as appropriate, of a vehicle which is located in his or her township at the time the citation is issued and which is required to be registered in this State if the constable determines that the vehicle is not properly registered. Upon the imposition of punishment pursuant to

NRS 482.385 on the person to whom the citation is issued, the constable is entitled to charge and collect a fee of \$100 from the person to whom the citation is issued, which [may]:

- (a) Must be collected by a court that imposes punishment pursuant to NRS 482.385 on behalf of the constable who issued the citation and forwarded by the court to the constable; and
- (b) May be retained by the constable as compensation.
- 7. If a sheriff or the sheriff's deputy in any county in this State arrests a person charged with a criminal offense or in the commission of an offense, the sheriff or the sheriff's deputy shall serve all process, whether mesne or final, and attend the court executing the order thereof in the prosecution of the person so arrested, whether in a justice court or a district court, to the conclusion, and whether the offense is an offense of which a justice of the peace has jurisdiction, or whether the proceeding is a preliminary examination or hearing. The sheriff or the sheriff's deputy shall collect the same fees and in the same manner therefor as the constable of the township in which the justice court is held would receive for the same service.
  - Sec. 3. NRS 258.125 is hereby amended to read as follows:
- 258.125 1. Constables are entitled to the following fees for their services:

Except as otherwise provided in subsection 3, for mileage in
serving such a notice, for each mile necessarily and actually
traveled in going only
But if two or more notices are served at the same general
location during the same period, mileage may only be
charged for the service of one notice.
For each service in a summary eviction, except service of any
notice required by law before commencement of the
proceeding, and for serving notice of and executing a
writ of restitution2
For making and posting notices, and advertising property for
sale on execution, not to include the cost of publication in a
newspaper1
For each warrant lawfully executed, unless a higher amount is
established by the board of county commissioners48
For mailing a notice of a writ of execution
Except as otherwise provided in subsection 3, for mileage in
serving summons, attachment, execution, order, venire,
subpoena, notice, summary eviction, writ of restitution or
other process in civil suits, for each mile necessarily and
actually traveled, in going only
But when two or more persons are served in the same suit,
Mileage may only be charged for the most distant, if
they live in the same direction.
Except as otherwise provided in subsection 3, for mileage in
making a diligent but unsuccessful effort to serve a
summons, attachment, execution, order, venire, subpoena or
other process in civil suits, for each mile necessarily and
actually traveled, in going only
But mileage may not exceed \$20 for any unsuccessful effort to serve
such process.

- 2. A constable is also entitled to receive:
- (a) For receiving and taking care of property on execution, attachment or order, and for executing an order of arrest in civil cases, *compensation for* the constable's [actual necessary expenses,] *trouble and expense*, to be allowed by the court which issued the writ or order, upon the affidavit of the constable that the charges are correct and the expenses necessarily incurred.
- (b) For collecting all sums on execution or writ, to be charged against the defendant, on the first \$3,500, 2 percent thereof, and on all amounts over that sum, [one half of] 1 percent.
- (c) For service in criminal cases, the same fees as are allowed sheriffs for like services, to be allowed, audited and paid as are other claims against the county.
- (d) For removing or causing the removal of, pursuant to NRS 487.230, a vehicle that has been abandoned on public property, \$100.

- (e) For providing any other service authorized by law for which no fee is established by this chapter, the fee provided for by ordinance by the board of county commissioners.
- 3. For each service for which a constable is otherwise entitled pursuant to subsection 1 to a fee based on the mileage necessarily and actually traveled in performing the service, a board of county commissioners may provide by ordinance for the constable to be entitled, at the option of the person paying the fee, to a flat fee for the travel costs of that service.
- 4. Deputy sheriffs acting as constables are not entitled to retain for their own use any fees collected by them, but the fees must be paid into the county treasury on or before the fifth working day of the month next succeeding the month in which the fees were collected.
- 5. [Constables] Except as otherwise provided in subsection 6, constables shall, on or before the fifth working day of each month, account for and pay to the county treasurer all fees collected during the preceding month, except fees which may be retained as compensation.
- 6. Every 5 business days, constables in an office established by the board of county commissioners as an enterprise fund shall account for and pay to the county treasurer any fee collected during the preceding period.
  - Sec. 4. NRS 293.195 is hereby amended to read as follows:
- 293.195 1. Judicial offices, school offices, the office of county sheriff, the Board of Regents of the University of Nevada, city and town officers, *the office of constable*, the State Board of Education and members of boards of hospital trustees of public hospitals are hereby designated nonpartisan offices.
- 2. No words designating the party affiliation of a candidate for nonpartisan offices may be printed upon the ballot.
- Sec. 5. The amendatory provisions of [sections] sections 1.5 and 4 of this act do not apply to a constable who is in office on October 1, 2019, unless the constable files a declaration of candidacy or is elected or appointed to a term of office on or after October 1, 2019 [ ], as applicable.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Among various provisions, Amendment No. 558 to Senate Bill No. 462 requires that a candidate for constable in a township with a population of 100,000 or more must be certified as a category I or category II peace officer before filing a Declaration of Candidacy for the office. It requires the board of county commissioners to fill a vacancy in the office of constable not later than 60 days after the occurrence of the vacancy, and requires that the compensation of certain deputy constables is subject to the approval of the board of county commissioners. I encourage your support.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 467.

Bill read second time.

The following amendment was proposed by the Committee on Education: Amendment No. 515.

SUMMARY—Revises provisions relating to education. (BDR S-820)

AN ACT relating to education; extending the duration of the Zoom schools program; extending the duration of the Victory schools program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

During the 77th Session of the Nevada Legislature, the Legislature appropriated money for the Clark County School District and the Washoe County School District to carry out a program of Zoom elementary schools during the 2013-2015 biennium to provide a comprehensive package of programs and services for children who are limited English proficient (now referred to as English learners) or eligible for such a designation. The other school districts and the State Public Charter School Authority were also authorized to apply for a grant of money from the appropriation to provide programs and services to children who were limited English proficient or eligible for such a designation. (Section 16.2 of chapter 515, Statutes of Nevada 2013, p. 3418)

The 78th Session of the Nevada Legislature continued and expanded the Zoom schools program to middle schools, junior high schools and high schools in the Clark County School District and the Washoe County School District for the 2015-2017 biennium through the enactment of Senate Bill No. 405. (Chapter 335, Statutes of Nevada 2015, p. 1869) S.B. 405 (2015) also provided certain additional requirements for the program. Section 1 of this bill mirrors the provisions of S.B. 390 (2017) and extends the Zoom schools program for the 2019-2021 biennium. Section 1 requires the elementary schools, middle schools, junior high schools and high schools that were identified to operate as Zoom schools for the 2017-2019 biennium to continue to operate as Zoom schools for the 2019-2021 biennium.

During the 78th Session of the Nevada Legislature (2015), the Legislature passed the Victory Schools Act, which provided for the distribution of money during the 2015-2017 biennium to certain underperforming public schools designated as Victory schools. (Chapter 389, Statutes of Nevada 2015, p. 2197) During the 79th Session of the Nevada Legislature (2017), the Legislature continued the program in effect for the 2017-2019 biennium. (Chapter 344, Statutes of Nevada 2019, p. 2149) Section 2 of this bill continues the Victory Schools program for the 2019-2021 biennium.

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

- Section 1. 1. The elementary schools identified to operate as Zoom elementary schools by the Board of Trustees of the Clark County School District and the Board of Trustees of the Washoe County School District for the 2017-2019 biennium shall continue to operate as Zoom elementary schools for the 2019-2021 biennium.
- 2. Except as otherwise provided in subsection 3, the Board of Trustees of the Clark County School District and the Board of Trustees of the Washoe County School District shall distribute the money appropriated by the

2019 Legislature to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 for each Zoom elementary school of those school districts to:

- (a) Provide prekindergarten programs free of charge;
- (b) Operate reading skills centers;
- (c) Provide professional development for teachers and other licensed educational personnel regarding effective instructional practices and strategies for children who are English learners;
- (d) Offer recruitment and retention incentives for the teachers and other licensed educational personnel who provide any of the programs and services set forth in this subsection from the list of incentives prescribed by the State Board of Education pursuant to subsection 12;
- (e) Engage and involve parents and families of children who are English learners, including, without limitation, increasing effective, culturally appropriate communication with and outreach to parents and families to support the academic achievement of those children; and
- (f) Provide, free of charge, a summer academy or an intersession academy for those schools that do not operate on a traditional school calendar, including, without limitation, the provision of transportation to attend the summer academy or intersession academy or provide for an extended school day.
- 3. A Zoom elementary school that receives money pursuant to subsection 2 shall offer each of the programs and services prescribed in paragraphs (a) and (b) of that subsection, and one of the programs prescribed in paragraph (f) of that subsection, so the Zoom elementary school may offer a comprehensive package of programs and services for pupils who are English learners. A Zoom elementary school:
- (a) Shall not use the money for any other purpose or use more than 5 percent of the money for the purposes described in paragraphs (c), (d) and (e) of subsection 2; and
- (b) May only use the money for the purposes described in paragraphs (c), (d) and (e) of subsection 2 if the board of trustees of the school district determines that such a use will not negatively impact the services provided to pupils enrolled in a Zoom elementary school.
- 4. A reading skills center operated by a Zoom elementary school must provide:
- (a) Support at the Zoom elementary school in the assessment of reading and literacy problems and language acquisition barriers for pupils;
- (b) Instructional intervention to enable pupils to overcome such problems and barriers by the completion of grade 3; and
- (c) Instructional intervention to enable pupils enrolled in grade 4 or 5 who were not able to overcome such problems and barriers by the completion of grade 3 to overcome them as soon as practicable.
- 5. The middle schools, junior high schools or high schools identified to operate as Zoom middle schools, junior high schools or high schools by the Board of Trustees of the Clark County School District and the Board of

Trustees of the Washoe County School District for the 2017-2019 biennium shall continue to operate as Zoom middle schools, junior high schools and high schools, as applicable, for the 2019-2021 biennium.

- 6. The Clark County School District and the Washoe County School District shall distribute the money appropriated by the 2019 Legislature to the Account for Programs for Innovation and the Prevention of Remediation for each Zoom middle school, junior high school and high school of those school districts to carry out one or more of the following:
- (a) Reduce class sizes for pupils who are English learners and provide English language literacy based classes;
- (b) Provide direct instructional intervention to each pupil who is an English learner using the data available from applicable assessments of that pupil;
- (c) Provide professional development for teachers and other licensed educational personnel regarding effective instructional practices and strategies for pupils who are English learners;
- (d) Offer recruitment and retention incentives for teachers and other licensed educational personnel who provide any of the programs and services set forth in this subsection from the list of incentives prescribed by the State Board of Education pursuant to subsection 12;
- (e) Engage and involve parents and families of pupils who are English learners, including, without limitation, increasing effective, culturally appropriate communication with and outreach to parents and families to support the academic achievement of those pupils;
- (f) Provide other evidence-based programs and services that are approved by the Department of Education and that are designed to meet the specific needs of pupils enrolled in the school who are English learners;
- (g) Provide, free of charge, a summer academy or an intersession academy for those schools that do not operate on a traditional school calendar, including, without limitation, the provision of transportation to attend the summer academy or intersession academy; and
  - (h) Provide for an extended school day.
- → The Clark County School District and the Washoe County School District shall not use more than 5 percent of the money for the purposes described in paragraphs (c), (d) and (e) and may only use the money for the purposes described in paragraphs (c), (d) and (e) if the board of trustees of the school district determines that such use will not negatively impact the services provided to pupils enrolled in a Zoom middle school, junior high school or high school.
- 7. On or before August 1, 2019, the Clark County School District and the Washoe County School District shall each provide a report to the Department of Education which includes:
- (a) The names of the elementary schools operating as Zoom schools pursuant to subsection 1 and the plan of each such school for carrying out the programs and services prescribed by paragraphs (a) to (f), inclusive, of subsection 2;

- (b) The names of the middle schools, junior high schools and high schools operating as Zoom schools pursuant to subsection 5 and the plan of each school for carrying out the programs and services described in paragraphs (a) to (h), inclusive, of subsection 6; and
- (c) Evidence of the progress of pupils at each Zoom school, as measured by common standards and assessments, including, without limitation, interim assessments identified by the State Board of Education, if the State Board has identified such assessments.
- 8. From the money appropriated by the 2019 Legislature to the Account for Programs for Innovation and the Prevention of Remediation for Zoom schools or charter schools or school districts other than the Clark County School District or Washoe County School District, the Department of Education shall provide grants of money to the sponsors of such charter schools and the school districts. The sponsor of such a charter school and the board of trustees of such a school district may submit an application to the Department on a form prescribed by the Department that includes, without limitation:
- (a) The number of pupils in the school district or charter school, as applicable, who are English learners or eligible for designation as English learners; and
- (b) A description of the programs and services the school district or charter school, as applicable, will provide with a grant of money, which may include, without limitation:
- (1) The creation or expansion of high-quality, developmentally appropriate prekindergarten programs, free of charge, that will increase enrollment of children who are English learners;
- (2) The acquisition and implementation of empirically proven assessment tools to determine the reading level of pupils who are English learners and technology-based tools, such as software, designed to support the learning of pupils who are English learners;
- (3) Professional development for teachers and other educational personnel regarding effective instructional practices and strategies for children who are English learners;
- (4) The provision of programs and services for pupils who are English learners, free of charge, before and after school, during the summer or intersession for those schools that do not operate on a traditional school calendar, including, without limitation, the provision of transportation to attend the summer academy or intersession academy;
- (5) Engaging and involving parents and families of children who are English learners, including, without limitation, increasing effective, culturally appropriate communication with and outreach to parents and families to support the academic achievement of those children;
- (6) Offering recruitment and retention incentives for the teachers and other licensed educational personnel who provide any of the programs and

services set forth in this subsection from the list of incentives prescribed by the State Board of Education pursuant to subsection 12; and

- (7) Provide other evidence-based programs and services that are approved by the Department and that are designed to meet the specific needs of pupils enrolled in the school who are English learners.
- 9. The Department of Education shall award grants of money to school districts and the sponsors of charter schools that submit applications pursuant to subsection 8 based upon the number of pupils enrolled in each such school district or charter school, as applicable, who are English learners or eligible for designation as English learners, and not on a competitive basis.
- 10. A school district and a sponsor of a charter school that receives a grant of money pursuant to subsection 8:
- (a) Shall not use more than 5 percent of the money for the purposes described in subparagraphs (3), (5) and (6) of paragraph (b) of subsection 8 and may only use the money for the purposes described in subparagraphs (3), (5) and (6) of paragraph (b) of subsection 8 if the board of trustees of the school district or the governing body of the charter school, as applicable, determines that such a use would not negatively impact the services provided to pupils enrolled in the school.
- (b) Shall provide a report to the Department of Education in the form prescribed by the Department with the information required for the Department's report pursuant to subsection 15.
- 11. On or before August 17, 2019, the Department of Education shall submit a report to the State Board of Education and the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee which includes:
- (a) The information reported by the Clark County School District and the Washoe County School District pursuant to subsection 7; and
- (b) The school districts and charter schools for which a grant of money is approved pursuant to subsection 9 and the plan of each such school district and charter school for carrying out programs and services with the grant money, including, without limitation, any programs and services described in subparagraphs (1) to (7), inclusive, of paragraph (b) of subsection 8.
  - 12. The State Board of Education shall prescribe:
- (a) A list of recruitment and retention incentives for the school districts and the sponsors of charter schools that receive a distribution of money pursuant to this section to offer to teachers and other licensed educational personnel pursuant to paragraph (d) of subsection 2, paragraph (d) of subsection 6 and subparagraph (6) of paragraph (b) of subsection 8; and
- (b) Criteria and procedures to notify a school district or a charter school that receives money pursuant to this section if the school district or charter school is not implementing the programs and services for which the money was received in accordance with the applicable requirements of this section or in accordance with the performance levels prescribed by the State Board pursuant to subsection 13, including, without limitation, a plan of corrective action for

the school district or charter school to follow to meet the requirements of this section or the performance levels.

- 13. The State Board of Education shall prescribe statewide performance levels and outcome indicators to measure the effectiveness of the programs and services for which money is received by the school districts and charter schools pursuant to this section. The performance levels must establish minimum expected levels of performance on a yearly basis based upon the performance results of children who participate in the programs and services. The outcome indicators must be designed to track short-term and long-term impacts on the progress of children who participate in the programs and services, including, without limitation:
  - (a) The number of children who participated;
- (b) The extent to which the children who participated improved their English language proficiency and literacy levels compared to other children who are English learners or eligible for such a designation who did not participate in the programs and services; and
- (c) To the extent that a valid comparison may be established, a comparison of the academic achievement and growth in the subject areas of English language arts and mathematics of children who participated in the programs and services to other children who are English learners or eligible for such a designation who did not participate in the programs and services.
- 14. The Department of Education shall contract for an independent evaluation of the effectiveness of the programs and services offered by each Zoom elementary school pursuant to subsection 2, each Zoom middle school, junior high school and high school pursuant to subsection 6 and the programs and services offered by the other school districts and the charter schools pursuant to subsection 8.
- 15. The Clark County School District, the Washoe County School District and the Department of Education shall each prepare an annual report that includes, without limitation:
- (a) An identification of the schools that received money from the School District or a grant of money from the Department, as applicable.
  - (b) How much money each such school received.
- (c) A description of the programs or services for which the money was used by each such school.
- (d) The number of children who participated in a program or received services.
- (e) The average per-child expenditure per program or service that was funded.
- (f) For the report prepared by the School Districts, an evaluation of the effectiveness of such programs and services, including, without limitation, data regarding the academic and linguistic achievement and proficiency of children who participated in the programs or received services.
  - (g) Any recommendations for legislation, including, without limitation:

- (1) For the continuation or expansion of programs and services that are identified as effective in improving the academic and linguistic achievement and proficiency of children who are English learners.
- (2) A plan for transitioning the funding for providing the programs and services set forth in this section to pupils who are English learners from categorical funding to a weighted per pupil formula within the Nevada Plan.
- (h) For the report prepared by the Department, in addition to the information reported for paragraphs (a) to (e), inclusive, and paragraph (g):
- (1) The results of the independent evaluation required by subsection 14 of the effectiveness of the programs and services, including, without limitation, data regarding the academic and linguistic achievement and proficiency of children who participated in a program or received a service;
- (2) Whether a school district or charter school was notified that it was not implementing the programs and services for which it received money pursuant to this section in accordance with the applicable requirements of this section or in accordance with the performance levels prescribed by the State Board of Education pursuant to subsection 13 and the status of such a school district or charter school, if any, in complying with a plan for corrective action; and
- (3) Whether each school district or charter school that received money pursuant to this section met the performance levels prescribed by the State Board of Education pursuant to subsection 13.
- 16. The annual report prepared by the Clark County School District and the Washoe County School District pursuant to subsection 15 must be submitted to the Department of Education on or before June 1, 2020, and January 16, 2021, respectively. The Department shall submit the information reported by those school districts and the information prepared by the Department pursuant to subsection 15:
- (a) On or before June 15, 2020, to the State Board of Education and the Legislative Committee on Education.
- (b) On or before February 1, 2021, to the State Board of Education and the Director of the Legislative Counsel Bureau for transmittal to the 81st Session of the Nevada Legislature.
- 17. The Department of Education may require a Zoom school or other public school that receives money pursuant to this section to provide a report to the Department on:
- (a) The number of vacancies, if any, in full-time licensed educational personnel at the school;
  - (b) The number of probationary employees, if any, employed at the school;
- (c) The number, if any, of persons who are employed at the school as substitute teachers for 20 consecutive days or more in the same classroom or assignment and designated as long-term substitute teachers; and
- (d) Any other information relating to the personnel at the school as requested by the Department.
- 18. The money appropriated by the 2019 Legislature to the Account for Programs for Innovation and the Prevention of Remediation for Zoom schools

must be accounted for separately from any other money received by school districts or charter schools of this State and used only for the purposes specified in this section.

- 19. Except as otherwise provided in paragraph (d) of subsection 2, paragraph (d) of subsection 6 and subparagraph (6) of paragraph (b) of subsection 8, the money appropriated by the 2019 Legislature to the Account for Programs for Innovation and the Prevention of Remediation for Zoom schools:
- (a) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations.
- (b) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.
- 20. Upon request of the Legislative Commission, the Clark County School District and the Washoe County School District shall make available to the Legislative Auditor any of the books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise, regardless of their form or location, that the Legislative Auditor deems necessary to conduct an audit of the use of the money distributed by the 2019 Legislature to the Account for Programs for Innovation and the Prevention of Remediation for Zoom schools.
  - 21. As used in this section:
  - (a) "English learner" has the meaning ascribed to it in 20 U.S.C. § 7801(20).
- (b) "Probationary employee" has the meaning ascribed to it in NRS 391.650.
- Sec. 2. 1. The Department of Education shall, in consultation with the board of trustees of a school district, designate a public school as a Victory school if, relative to other public schools, including charter schools, that are located in the school district in which the school is also located:
- (a) A high percentage of pupils enrolled in the school live in households that have household incomes that are less than the federally designated level signifying poverty, based on the most recent data compiled by the Bureau of the Census of the United States Department of Commerce; and
- (b) The school received one of the two lowest possible ratings indicating underperformance of a public school, as determined by the Department pursuant to the statewide system of accountability for public schools, for the immediately preceding school year.
- The designation of a public school as a Victory school pursuant to this subsection must be made in consultation with the board of trustees of the school district in which the prospective Victory school is located.
- 2. The Department shall designate each Victory school for the 2019-2020 Fiscal Year on or before June 1, 2019.
- 3. The Department shall transfer money from the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 to each school district in which a Victory school is designated and each sponsor of a charter school that is designated as a Victory school on a per pupil basis.

The amount distributed per pupil must be determined by dividing the amount of money appropriated to the Account by the 2019 Legislature for Victory schools by the total number of pupils who are enrolled in Victory schools statewide. After receiving money from the Account pursuant to this subsection:

- (a) A school district shall distribute the money to each Victory school in the school district on a per pupil basis.
- (b) A sponsor of a charter school shall distribute the money to each Victory school that it sponsors on a per pupil basis.
- 4. The board of trustees of each school district in which a Victory school is located and the governing body of each charter school that is designated as a Victory school shall, as soon as practicable after the school is designated as a Victory school, conduct an assessment of the needs of pupils that attend the school. The assessment must include soliciting input from the community served by the Victory school and identify any barriers to improving pupil achievement and school performance and strategies to meet the needs of pupils at the school.
- 5. Except as otherwise provided in subsection 7, on or before August 15, 2019, the board of trustees of each school district in which a Victory school is designated for the 2019-2020 Fiscal Year and the governing body of each charter school that is designated as a Victory school for the 2019-2020 Fiscal Year shall submit to the Department a comprehensive plan for meeting the educational needs of pupils enrolled in each Victory school. The board of trustees of each school district in which a Victory school is designated and the governing body of each charter school that is designated as a Victory school shall select at least one person who is familiar with the public schools in the school district or with the charter school, respectively, to assist with the development of the plan. The plan must:
  - (a) Include appropriate means to determine the effectiveness of the plan;
- (b) Be based on the assessment of the needs of the pupils who attend the school conducted pursuant to subsection 4;
- (c) Analyze available data concerning pupil achievement and school performance, including, without limitation, data collected and maintained in the statewide system of accountability for public schools and other pupil achievement data collected and maintained by the school district or charter school;
- (d) Include a description of the criteria used to select entities to provide programs and services to pupils enrolled in the Victory school;
- (e) Include a description of the manner in which the school district or governing body will collaborate with selected entities so that academic programs and services and nonacademic programs and services, including, without limitation, transportation services, may be offered without charge to support pupils and their families within the region in which the school is located;

- (f) Take into account the number and types of pupils who attend the school and the locations where such pupils reside;
- (g) Provide for the coordination of the existing or planned engagement of other persons who provide services in the region in which the school is located;
- (h) Coordinate all funding available to each school that is subject to the plan;
- (i) Provide for the coordination of all available resources to each school that is subject to the plan, including, without limitation, instructional materials and textbooks:
- (j) Identify, for each school or group of schools subject to the plan, which of the measures described in subsection 8 will be implemented; and
- (k) Identify the person or persons selected pursuant to this subsection who assisted with the development of the plan.
- 6. The Department shall review each plan submitted pursuant to subsection 5 to determine whether, or the extent to which, the plan complies with the requirements of this section and either approve or request revisions to the plan.
- 7. If the board of trustees of a school district in which a Victory school is designated or the governing body of a charter school that is designated as a Victory school does not submit a comprehensive plan for meeting the educational needs of pupils enrolled in each Victory school on or before August 15, 2019, as required pursuant to subsection 5, the board of trustees of the school district or the governing body of the charter school, as applicable, may submit to the Department a letter of intent to meet the educational needs of pupils enrolled in each Victory school. The letter must include, without limitation:
- (a) An initial assessment of the needs of the pupils who attend the school which is conducted pursuant to subsection 4;
- (b) An analysis of available data concerning pupil achievement and school performance, including, without limitation, data collected and maintained in the statewide system of accountability for public schools and data collected and maintained by the school district or charter school; and
- (c) A summary of activities that the board of trustees or governing body, as applicable, will take to ensure completion of the comprehensive plan required pursuant to subsection 5 by not later than September 15, 2019.
- 8. A Victory school shall use the majority of the money distributed pursuant to subsection 3 to provide one or more of the following:
- (a) A prekindergarten program free of charge, if such a program is not paid for by another grant.
- (b) A summer academy or other instruction for pupils free of charge at times during the year when school is not in session.
- (c) Additional instruction or other learning opportunities free of charge at times of day when school is not in session.
- (d) Professional development for teachers and other educational personnel concerning instructional practices and strategies that have proven to be an

effective means to increase pupil achievement in populations of pupils similar to those served by the school.

- (e) Incentives for hiring and retaining teachers and other licensed educational personnel who provide any of the programs or services set forth in this subsection from the list prescribed by the State Board of Education pursuant to subsection 14.
- (f) Employment of paraprofessionals, other educational personnel and other persons who provide any of the programs or services set forth in this subsection.
  - (g) Reading skills centers.
- (h) Integrated student supports, wrap-around services and evidence-based programs designed to meet the needs of pupils who attend the school, as determined using the assessment conducted pursuant to subsection 4.
- 9. A Victory school may use any money distributed pursuant to subsection 3 that is not used for the purposes described in subsection 8 to:
- (a) Provide evidence-based social, psychological or health care services to pupils and their families;
  - (b) Provide programs and services designed to engage parents and families;
  - (c) Provide programs to improve school climate and culture;
- (d) If the Victory school is a high school, provide additional instruction or other learning opportunities for pupils and professional development for teachers at an elementary school, middle school or junior high school that is located within the zone of attendance of the high school and is not also designated as a Victory school; or
  - (e) Any combination thereof.
- 10. A Victory school shall not use any money distributed pursuant to subsection 3 for a purpose not described in subsection 8 or 9.
- 11. Any programs offered at a Victory school pursuant to subsection 8 or 9 must:
- (a) Except as otherwise provided in paragraph (d) of subsection 9, be designed to meet the needs of pupils at the school, as determined using the assessment conducted pursuant to subsection 4 and to improve pupil achievement and school performance, as determined using the measures prescribed by the State Board of Education; and
- (b) Be based on scientific research concerning effective practices to increase the achievement of pupils who live in poverty.
- 12. Each plan to improve the achievement of pupils enrolled in a Victory school that is prepared by the principal of the school pursuant to NRS 385A.650 must describe how the school will use the money distributed pursuant to subsection 3 to meet the needs of pupils who attend the school, as determined using the assessment described in subsection 4 and the requirements of this section.
- 13. The Department shall contract with an independent evaluator to evaluate the effectiveness of programs and services provided pursuant to this section. The evaluation must include, without limitation, consideration of the

achievement of pupils who have participated in such programs and received such services. When complete, the evaluation must be provided contemporaneously to the Department and the Legislative Committee on Education.

- 14. The State Board of Education shall prescribe a list of recruitment and retention incentives that are available to the school districts and sponsors of charter schools that receive a distribution of money pursuant to this section to offer to teachers and other licensed educational personnel.
- 15. The State Board shall require a Victory school to take corrective action if pupil achievement and school performance at the school are unsatisfactory, as determined by the State Board. If unsatisfactory pupil achievement and school performance continue, the State Board may direct the Department to withhold any additional money that would otherwise be distributed pursuant to this section.
- 16. On or before November 30, 2020, and November 30, 2021, the board of trustees of each school district in which a Victory school is designated and the governing body of each charter school that is designated as a Victory school shall submit to the Department and to the Legislative Committee on Education a report, which must include, without limitation:
- (a) An identification of schools to which money was distributed pursuant to subsection 3 for the previous fiscal year;
  - (b) The amount of money distributed to each such school;
  - (c) A description of the programs or services for which the money was used;
- (d) The number of pupils who participated in such programs or received such services;
- (e) The average expenditure per pupil for each program or service that was funded; and
- (f) Recommendations concerning the manner in which the average expenditure per pupil reported pursuant to paragraph (e) may be used to determine formulas for allocating money from the State Distributive School Account in the State General Fund.
- 17. The Legislative Committee on Education shall consider the evaluations of the independent evaluator received pursuant to subsection 13 and the reports received pursuant to subsection 16 and advise the State Board regarding any action the Committee determines appropriate for the State Board to take based upon that information. The Committee shall also make any recommendations it deems appropriate concerning Victory schools to the next regular session of the Legislature which may include, without limitation, recommendations for legislation.
  - 18. The money distributed pursuant to subsection 3:
- (a) Must be accounted for separately from any other money received by Victory schools and used only for the purposes specified in this section;
- (b) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district or the governing body

of a charter school and the school district or governing body or to settle any negotiations; and

- (c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.
- 19. Upon request of the Legislative Commission, a Victory school to which money is distributed pursuant to subsection 3 shall make available to the Legislative Auditor any of the books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise, regardless of their form or location, that the Legislative Auditor deems necessary to conduct an audit of the use of such money.
  - 20. As used in this section:
- (a) "Community" includes any person or governmental entity who resides or has a significant presence in the geographic area in which a school is located or who interacts with pupils and personnel at a school, and may include, without limitation, parents, businesses, nonprofit organizations, faith-based organizations, community groups, teachers, administrators and governmental entities.
- (b) "Integrated student supports" means supports developed, secured or coordinated by a school to promote the academic success of pupils enrolled in the school by targeting academic and nonacademic barriers to pupil achievement.
- (c) "Victory school" means a school that is so designated by the Department pursuant to subsection 1.
- (d) "Wrap-around services" means supplemental services provided to a pupil with special needs or the family of such a pupil that are not otherwise covered by any federal or state program of assistance.
- Sec. 3. [Section 3 of chapter 390, Statutes of Nevada 2015, at page 2203, is hereby amended to read as follows:
- See. 3. This act becomes effective on July 1, 2015 [.], and expires by limitation on May 31, 2019.] (Deleted by amendment.)
- Sec. 4. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
  - Sec. 5. <u>1.</u> This act becomes effective upon passage and approval.
  - 2. This act expires by limitation on June 30, 2021.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 515 to Senate Bill No. 467 removes section 3 of the bill related to effective and expiration dates and adds an expiration date of June 30, 2021.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 474.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 328.

SUMMARY—Revises provisions relating to drivers' licenses. (BDR 43-1139)

AN ACT relating to drivers' licenses; revising the requirements for obtaining a driver's license by a person who is [between 18 and 20] 16 or 17 years of age; [authorizing such a person to obtain a restricted license in certain eircumstances; providing a penalty;] and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a person under the age of 18 years may not obtain a driver's license unless the person has: (1) completed certain driving courses; (2) completed at least 50 hours of supervised experience, at least 10 of which are during darkness, such experience supervised by certain licensed drivers and evidenced by a log; (3) enrolled in school or is otherwise excused or graduated from compulsory education; (4) held an instruction permit for not less than 6 months before applying for a driver's license; and (5) not been convicted of certain offenses or moving traffic violations during the 6 months before applying. (NRS 483.2521) Section 6 of this bill provides that the supervised experience must be at least 75 hours, with at least 15 of those hours during darkness. [Section 2 of this bill newly provides that a person who is 18 or 19 years of age may not obtain a driver's license unless the person has: (1) completed at least 75 hours of supervised experience, at least 15 of which are during darkness, and evidenced by a log; (2) held an instruction permit for not less than 6 months before applying for a driver's license; and (3) not been convicted of certain offenses or moving traffic violations during the 6 months before applying.

Existing law authorizes the Department of Motor Vehicles to issue a restricted license to an applicant between the ages of 14 and 18 years of age which entitles the applicant to drive a motor vehicle in this State if a member of his or her household has a medical condition which renders that member unable to operate a motor vehicle and a hardship exists which requires the applicant to drive. (NRS 483.267) Section 7 of this bill revises the age limit of such a permit to include a person who is between the ages of 14 and 20 years. Section 3 of this bill newly authorizes the Department to issue a restricted license to an applicant between 18 and 20 years of age which entitles the applicant to drive a motor vehicle in this State if a hardship exists which requires the applicant to drive to and from a place of employment or to drive his or her children or the children of another member of his or her household to and from school, a child care facility or some other provider of child care. Existing law imposes a fee for the issuance of such a restricted license. (NRS 483.410, 483.415)

Existing law makes a violation of any of these provisions a misdemeanor. (NRS 483.620) Sections 4, 5 and 8 of this bill make conforming changes.] Section 9 of this bill provides that the amendatory provisions of section 6 do not apply to a person who, pursuant to existing law, applies at age 16 or 17 for a driver's license or a restricted license, instruction permit or restricted instruction permit before the effective date of this bill.

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

- Section 1. [Chapter 483 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.] (Deleted by amendment.)
- Sec. 2. [The Department may issue a driver's license to a person who is 18 or 19 years of age if the person:
- 1. Has at least 75 hours of supervised experience in driving a motor vehicle with a restricted license, instruction permit or restricted instruction permit issued pursuant to NRS 483.267, 483.270, 483.280 or section 3 of this act, including, without limitation, at least 15 hours of experience in driving a motor vehicle during darkness:
- 2. Submits to the Department, on a form provided by the Department, a log which contains the dates and times of the hours of supervised experience required pursuant to this section which is signed by:
- (a) His or her parent or legal guardian;
- (b) A licensed driver who is at least 21 years of age; or
- (c) A licensed driving instructor,
- →who attests that the person applying for the driver's license has completed the experience required pursuant to subsection 1:
- 3. Has not been found to be responsible for a motor vehicle crash during the 6 months before applying for the driver's license;
- 4. Has not been convicted of a moving traffic violation or a crime involving alcohol or a controlled substance during the 6 months before anniving for the driver's license; and
- 5. Has held an instruction permit for not less than 6 months before applying for the driver's license. J (Deleted by amendment.)
- Sec. 3. [1. The Department may issue a restricted license to any applicant between the ages of 18 and 20 years which entitles the applicant to drive a motor vehicle upon a highway if a hardship exists which requires the applicant to drive to and from a place of employment or to drive his or her children or the children of another member of his or her household to and from a school, a child care facility or some other provider of child care.
- 2. An application for a restricted license under this section must:
- <del>- (a) Be made on a form provided by the Department.</del>
- (b) Contain a statement explaining the hardship that exists which requires the applicant to drive.
- (e) Be signed and verified by the applicant before a person authorized to
- (d) Include such other information as may be required by the Department.

- 3. A restricted driver's license issued pursuant to this section:
- (a) Is effective for the period specified by the Department;
- (b) Authorizes the licensee to operate a motor vehicle on a street or highway only under conditions specified by the Department; and
- (c) May contain other restrictions which the Department deems necessary.
- 4. No license may be issued under this section until the Department is satisfied fully as to the applicant's competency and fitness to drive a motor vehicle. (Deleted by amendment.)
  - Sec. 4. [NRS 483.020 is hereby amended to read as follows:
- 483.020 As used in NRS 483.010 to 483.630, inclusive, and sections 2 and 3 of this act, unless the context otherwise requires, the words and terms defined in NRS 483.030 to 483.190, inclusive, have the meanings ascribed to them in those sections.] (Deleted by amendment.)
  - Sec. 5. [NRS 483.250 is hereby amended to read as follows:
- 483.250 The Department shall not issue any license pursuant to the provisions of NRS 483.010 to 483.630, inclusive [:], and sections 2 and 3 of this act:
- 1. To any person who is under the age of [18] 20 years, except that the Department may issue:
- (a) A restricted license to a person between the ages of 14 and [18] 20 years pursuant to the provisions of NRS 483.267 and 483.270 [.] or section 3 of this section 3.
- (b) An instruction permit to a person who is at least 15 1/2 years of ago pursuant to the provisions of subsection 1 or 4 of NRS 483.280.
- —(c) A restricted instruction permit to a person under the age of 18 years pursuant to the provisions of subsection 3 of NRS 483.280.
- (d) A driver's license to a person who is 16 or 17 years of age pursuant to NRS 483 2521.
- -(c) A driver's license to a person who is 18 or 19 years of age pursuant to section 2 of this act.
- -2. To any person whose license has been revoked until the expiration of the period during which the person is not eligible for a license.
- 3. To any person whose license has been suspended, but upon good cause shown to the Administrator, the Department may issue a restricted license to the person or shorten any period of suspension.
- 4. To any person who has previously been adjudged to be afflicted with or suffering from any mental disability or disease and who has not at the time of application been restored to legal capacity.
- 5. To any person who is required by NRS 483.010 to 483.630, inclusive, and sections 2 and 3 of this act to take an examination, unless the person has successfully passed the examination.
- 6. To any person when the Administrator has good cause to believe that by reason of physical or mental disability that person would not be able to operate a motor vehicle safely.
- 7. To any person who is not a resident of this State.

- 8. To any child who is the subject of a court order issued pursuant to title 5 of NRS or administrative sanctions imposed pursuant to NRS 392.148 which delay the child's privilege to drive.
- —9. To any person who is the subject of a court order issued pursuant to NRS 206.330 which delays the person's privilege to drive until the expiration of the period of delay.
- 10. To any person who is not eligible for the issuance of a license pursuant to NRS 483.283.] (Deleted by amendment.)
  - Sec. 6. NRS 483.2521 is hereby amended to read as follows:
- 483.2521 1. Except as otherwise provided in subsection 3, the Department may issue a driver's license to a person who is 16 or 17 years of age if the person:
  - (a) Except as otherwise provided in subsection 2, has completed:
    - (1) A course in automobile driver education pursuant to NRS 389.090; or
- (2) A course provided by a school for training drivers which is licensed pursuant to NRS 483.700 to 483.780, inclusive, and which complies with the applicable regulations governing the establishment, conduct and scope of automobile driver education adopted by the State Board of Education pursuant to NRS 389.090;
- (b) Has at least [50] 75 hours of supervised experience in driving a motor vehicle with a restricted license, instruction permit or restricted instruction permit issued pursuant to NRS 483.267, 483.270 or 483.280, including, without limitation, at least [10] 15 hours of experience in driving a motor vehicle during darkness;
- (c) Submits to the Department, on a form provided by the Department, a log which contains the dates and times of the hours of supervised experience required pursuant to this section and which is signed:
  - (1) By his or her parent or legal guardian; or
- (2) If the person applying for the driver's license is an emancipated minor, by a licensed driver who is at least 21 years of age or by a licensed driving instructor.
- → who attests that the person applying for the driver's license has completed the training and experience required pursuant to paragraphs (a) and (b);
  - (d) Submits to the Department:
- (1) A written statement signed by the principal of the public school in which the person is enrolled or by a designee of the principal and which is provided to the person pursuant to NRS 392.123;
- (2) A written statement signed by the parent or legal guardian of the person which states that the person is excused from compulsory attendance pursuant to NRS 392.070;
- (3) A copy of the person's high school diploma or certificate of attendance; or
- (4) A copy of the person's certificate of general educational development or an equivalent document;

- (e) Has not been found to be responsible for a motor vehicle crash during the 6 months before applying for the driver's license;
- (f) Has not been convicted of a moving traffic violation or a crime involving alcohol or a controlled substance during the 6 months before applying for the driver's license; and
- (g) Has held an instruction permit for not less than 6 months before applying for the driver's license.
- 2. If a course described in paragraph (a) of subsection 1 is not offered within a 30-mile radius of a person's residence, the person may, in lieu of completing such a course as required by that paragraph, complete an additional 50 hours of supervised experience in driving a motor vehicle in accordance with paragraph (b) of subsection 1.
- 3. A person who is 16 or 17 years of age, who has held an instruction permit issued pursuant to subsection 4 of NRS 483.280 authorizing the holder of the permit to operate a motorcycle and who applies for a driver's license pursuant to this section that authorizes him or her to operate a motorcycle must comply with the provisions of paragraphs (d) to (g), inclusive, of subsection 1 and must:
- (a) Except as otherwise provided in subsection 4, complete a course of motorcycle safety approved by the Department;
- (b) Have at least 50 hours of experience in driving a motorcycle with an instruction permit issued pursuant to subsection 4 of NRS 483.280; and
- (c) Submit to the Department, on a form provided by the Department, a log which contains the dates and times of the hours of experience required pursuant to paragraph (b) and which is signed by his or her parent or legal guardian who attests that the person applying for the motorcycle driver's license has completed the training and experience required pursuant to paragraphs (a) and (b).
- 4. If a course described in paragraph (a) of subsection 3 is not offered within a 30-mile radius of a person's residence, the person may, in lieu of completing the course, complete an additional 50 hours of experience in driving a motorcycle in accordance with paragraph (b) of subsection 3.
- Sec. 7. [NRS 483.267 is hereby amended to read as follows:

  483.267 1. The Department may issue a restricted license to any applicant between the ages of 14 and [18] 20 years which entitles the applicant to drive a motor vehicle upon a highway if a member of his or her household has a medical condition which renders that member unable to operate a motor vehicle, and a hardship exists which requires the applicant to drive.
- 2. An application for a restricted license under this section must:
- (a) Be made upon a form provided by the Department.
- (b) Contain a statement that a person living in the same household with the applicant suffers from a medical condition which renders that person unable to operate a motor vehicle and explaining the need for the applicant to drive.
- (e) Be signed and verified [as]:
  - (1) If the applicant is under 18 years of age, as provided in NRS 483.300

- (2) If the applicant is 18 years of age or older, before a person authorized to administer ouths.
- (d) [Include:] If the applicant is under 18 years of age, include:
- (1) A written statement signed by the principal of the public school in which the applicant is enrolled or by a designee of the principal and which is provided to the applicant pursuant to NRS 392.123;
- (2) A written statement signed by the parent or legal guardian of the applicant which states that the applicant is excused from compulsory school attendance pursuant to NRS 392.070:
- (3) A copy of the applicant's high school diploma or certificate of attendance; or
- (4) A copy of the applicant's certificate of general educational development or an equivalent document.
- (e) Contain such other information as may be required by the Department.
- 3. A restricted license issued pursuant to this section:
- (a) Is effective for the period specified by the Department;
- (b) Authorizes the licensee to operate a motor vehicle on a street or highway only under conditions specified by the Department; and
- (c) May contain other restrictions which the Department deems necessary.
- 4. No license may be issued under this section until the Department is satisfied fully as to the applicant's competency and fitness to drive a motor vehicle. (Deleted by amendment.)
  - Sec. 8. [NRS 483.620 is hereby amended to read as follows:
- 483.620 It is a misdemeanor for any person to violate any of the provisions of NRS 483.010 to 483.630, inclusive, and sections 2 and 3 of this act unless such violation is, by NRS 483.010 to 483.630, inclusive, and sections 2 and 3 of this act, or other law of this State, declared to be a felony.] (Deleted by amendment.)
- Sec. 9. The amendatory provisions of this act do not apply to a <u>person</u> who:
- 1. Applies for a driver's license [issued before July 1, 2019.] pursuant to NRS 483.2521 before October 1, 2019; or
- 2. Is 16 or 17 years old at the time of application and applies for a restricted license, instruction permit or restricted instruction permit issued pursuant to NRS 483.267, 483.270 or 483.280 before October 1, 2019, and subsequently applies for a driver's license pursuant to NRS 483.2521, as amended by section 6 of this act.
- Sec. 10. [This act becomes effective on July 1, 2019.] (Deleted by amendment.)

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 328 does 3 things in Senate Bill No. 474. First, it deletes provisions extending the requirements for supervised and restricted licensure to applicants for a driver's license who are 18 or 19 years old changes the required hours of supervised driving to 75 hours for applicants for a driver's license who are under the age of 18, with 15 of those hours during nighttime, and changes the effective date of the bill to October 1, 2019.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 484.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 278.

SUMMARY—[Revises provisions relating to state health care programs.]

<u>Authorizes reimbursement under Medicaid for the services of a chiropractor.</u>
(BDR 38-1133)

AN ACT relating to health care; authorizing reimbursement under Medicaid for the services of a chiropractor; <del>[authorizing the establishment of a program to negotiate discounts and rebates for hearing devices and related costs for children who are deaf and hard of hearing;]</del> and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Department of Health and Human Services to administer Medicaid. (NRS 422.270) Section 1 of this bill requires the Director of the Department to include in the State Plan for Medicaid a provision authorizing reimbursement under Medicaid for the services of a chiropractor. Section 3 of this bill makes a conforming change.

Existing law establishes a program to provide assistive technology and interpreters for persons who are deaf or hard of hearing. (NRS 427A.797) Section 2 of this bill authorizes the Director of the Department of Health and Human Services to establish a program to negotiate discounts and rebates for hearing devices and related costs for children in this State who are deaf or hard of hearing on behalf of public and private insurers, residents of this State and other entities that provide health coverage or otherwise purchase hearing devices for such children.]

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

Section 1. Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:

The Director shall include in the State Plan for Medicaid a provision authorizing reimbursement under Medicaid for the services of a chiropractor.

Sec. 2. <del>[Chapter 427A of NRS is hereby amended by adding thereto a new section to read as follows:</del>

- 1. The Director may establish a program to negotiate discounts and rebates for hearing devices and related costs, including, without limitation, ear molds, batteries and FM systems, for children in this State who are deaf or hard of hearing on behalf of entities described in subsection 2 who participate in the program.
- 2. The following persons and entities may participate in a program established pursuant to subsection 1:

- (a) The Public Employees' Benefits Program;
- (b) A governing body of a county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency that provides health coverage to employees through a self insurance reserve fund pursuant to NRS 287.010;
- <del>(c) An insurer licensed pursuant to title 57 of NRS;</del>
- (d) An employer or employee organization based in this State that provides health coverage to employees through a self-insurance reserve fund;
- (e) A governmental agency or nonprofit organization that purchases hearing devices for children in this State who are deaf or hard of hearing;
- (f) A resident of this State who does not have coverage for hearing devices;
   and
- —(g) Any other person or entity that provides health coverage or otherwise purchases hearing devices for children in this State who are deaf and hard of hearing.
- 3. A person or entity described in subsection 2 may participate in any program established pursuant to subsection 1 by submitting an application to the Department in the form prescribed by the Department.] (Deleted by amendment.)
  - Sec. 3. NRS 232.320 is hereby amended to read as follows:
  - 232.320 1. The Director:
- (a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:
  - (1) The Administrator of the Aging and Disability Services Division;
- (2) The Administrator of the Division of Welfare and Supportive Services:
  - (3) The Administrator of the Division of Child and Family Services;
- (4) The Administrator of the Division of Health Care Financing and Policy; and
  - (5) The Administrator of the Division of Public and Behavioral Health.
- (b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and section 1 of this act*, 422.580, 432.010 to 432.133, inclusive, 432B.621 to 432B.626, inclusive, 444.002 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the Division of Public and Behavioral Health or the professional line activities of the other divisions.
- (c) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.
- (d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan

biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:

- (1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;
  - (2) Set forth priorities for the provision of those services;
- (3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;
- (4) Identify the sources of funding for services provided by the Department and the allocation of that funding;
- (5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and
- (6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.
- (e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.
  - (f) Has such other powers and duties as are provided by law.
- 2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate officers and employees of the Department, other than the State Public Defender of the Office of State Public Defender who is appointed pursuant to NRS 180.010.
  - Sec. 4. This act becomes effective on July 1, 2019.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 278 eliminates provisions in Senate Bill No. 484 related to assistive technology interpreters for persons who are deaf and hard of hearing and retains provisions related to Medicaid coverage for chiropractic services.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 491.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 331.

SUMMARY—Revises provisions concerning [salvage] vehicles. (BDR 43-135)

AN ACT relating to [salvaged] vehicles; [authorizing a salvage pool to tow and store certain abandoned vehicles and providing that such a salvage pool has a lien on the vehicle for the costs of towing and storage;] revising provisions relating to obtaining a salvage title or a nonrepairable vehicle certificate for a vehicle that is the object of certain insurance settlements [:] or donations; revising provisions relating to the issuance of a salvage title or a nonrepairable vehicle certificate by the Department of Motor Vehicles; revising provisions relating to a lien on certain vehicles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

[Existing law authorizes the removal of an abandoned vehicle by the operator of a tow car or an automobile wrecker. The vehicle is to be taken to the nearest garage or other place designated for storage. (NRS 487.230) If the vehicle is appraised as a junk vehicle, the Department of Motor Vehicles may issue a junk certificate to the automobile wrecker or tow operator who removed the vehicle, and the automobile wrecker may process the vehicle for parts or scrap metal. (NRS 487.260) A garage or automobile wrecker to which the abandoned vehicle is removed has a lien on the vehicle for the costs of towing and storage. (NRS 487.270) Sections 1, 3 and 4 of this bill authorize a salvage pool to tow or store such an abandoned vehicle, and to have a lien on the vehicle for the costs of towing and storage. Section 2 of this bill makes a conforming change.]

Existing law requires the owner of a motor vehicle who enters into a settlement with an insurance company in which the motor vehicle is determined to be a salvage vehicle  $\frac{1}{121}$  to endorse the certificate of title of the motor vehicle and forward the certificate of title to the insurance company within 30 days after accepting the settlement. The insurance company is required to forward an application for a salvage title for the motor vehicle to the Department of Motor Vehicles within 180 days. If the owner of the motor vehicle does not provide the endorsed certificate of title to the insurance company within 30 days, the insurance company must forward an application for a salvage title within 180 days after the expiration of the 30-day period. (NRS 487.800) Section 5 of this bill instead requires the insurance company, in a case where the owner has not provided the endorsed certificate of title within the 30-day period, to forward an application for a salvage title to the Department as soon as practicable.

Existing law requires the Department to issue a salvage title for a vehicle within 2 days after receiving an application for the salvage title along with certain required information about the vehicle. (NRS 487.810)] Section 5 also provides that the Department shall issue a salvage title or a nonrepairable vehicle certificate in certain circumstances to a: (1) salvage pool who obtains the vehicle from an insurance company and the vehicle is abandoned at the

facility of the salvage pool for more than 30 days; and (2) charitable organization that obtains a vehicle through a donation and is unable to obtain an endorsed certificate of title. Section 6 of this bill [prohibits the Department from issuing a salvage title, or entering any notation on a title or any other record pertaining to the vehicle, based on information obtained from or reported to the National Motor Vehicle Title Information System established pursuant to federal law, or any regulations promulgated thereunder. (49 U.S.C. § 30502) Section 5 applies the same prohibition to the issuing of or entering notations on a nonrepairable vehicle certificate. (NRS 487.800)] makes a conforming change and requires the Department to charge a fee for the issuance of such a salvage title. (NRS 487.810)

Existing law authorizes the Department, when an applicant is unable to satisfy the Department by the submission of various documents that the applicant is entitled to a salvage title, to issue the salvage title if the applicant files a bond with the Department and allows the Department to inspect the vehicle and conduct a search through certain national crime information databases. The bond must be in an amount equal to one and one-half times the value of the vehicle. (NRS 487.820) Section 7 of this bill revises the amount of the required bond to 25 percent of the value of the vehicle.

Existing law provides that certain [persons] operators of storage facilities who store a motor vehicle [at the request of or with the consent of the owner or the owner's representative, or at the direction of law enforcement or certain other authorized persons, has], boat or personal watercraft have a lien upon the motor vehicle, boat or personal watercraft for the sum due for certain costs, [including the towing and storage of the vehicle. Such a person may keep the vehicle until the sum due is paid. (NRS 108.270) Section 8 of this bill provides that, in the case of a vehicle that has been towed and stored as part of an insurance claim or a charitable donation, the lienholder is not required to obtain or submit a storage agreement signed by the legal owner or registered owner of the vehicle to enforce such a lien.] and certain remedies are provided. (NRS 108.4763) Section 8.5 of this bill adds a trailer used to transport such a motor vehicle, boat or personal watercraft to the list of personal property that such a lien may include. Section 8.3 of this bill makes a conforming change.

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

Section 1. [NRS 487.230 is hereby amended to read as follows:

487.230 1. Except as otherwise provided in NRS 487.235, any sheriff or designee of a sheriff, constable, member of the Nevada Highway Patrol, officer of the Legislative Police, investigator of the Division of Compliance Enforcement of the Department, personnel of the Capitol Police Division of the Department of Public Safety, designated employees of the Housing Division of the Department of Business and Industry, special investigator employed by the office of a district attorney, marshal or police officer of a city or town or his or her designee, a marshal or park ranger who is part of a unit of specialized law enforcement established pursuant to NRS 280.125, or any

other person charged with the enforcement of county or city ordinances who has reason to believe that a vehicle has been abandoned on public property in his or her jurisdiction may remove the vehicle from that property or cause the vehicle to be removed from that property. At the request of the owner or person in possession or control of private property who has reason to believe that a vehicle has been abandoned on his or her property, the vehicle may be removed by the operator of a tow car , [or] an automobile wrecker or a salvage pool from that private property.

- 2. A person who authorizes the removal of an abandoned vehicle pursuant to subsection 1 shall:
- (a) Have the vehicle taken to the nearest garage, salvage pool or other place designated for storage by:
- (1) The state agency or political subdivision making the request if the vehicle is removed from public property.
- (2) The owner or person in possession or control of the property if the vehicle is removed from private property.
- (b) Make all practical inquiries to ascertain if the vehicle is stolen by checking the license plate number, vehicle identification number and other available information which will aid in identifying the registered and legal owner of the vehicle and supply the information to the person who is storing the vehicle.] (Deleted by amendment.)
  - Sec. 2. [NRS 487.250 is hereby amended to read as follows:
- 487.250 1. The state agency or political subdivision shall, within 48 hours after the appraisal, notify the head of the state agency of the removal of the vehicle. The notice must contain:
- (a) A description of the vehicle.
- (b) The appraised value of the vehicle.
- (c) A statement as to whether the vehicle will be junked, dismantled or otherwise disposed of.
- 2. The person who removed the vehicle must notify the registered owner and any person having a security interest in the vehicle by registered or certified mail that the vehicle has been removed and will be junked or dismantled or otherwise disposed of unless the registered owner or the person having a security interest in the vehicle responds and pays the costs of removal.
- 3. Failure to reclaim within 15 days after notification a vehicle appraised at \$500 or less constitutes a waiver of interest in the vehicle by any person having an interest in the vehicle.
- 4. If all recorded interests in a vehicle appraised at \$500 or less are waived, either as provided in subsection 3 or by written disclaimer by any person having an interest in the vehicle, the state agency, except as otherwise provided in subsection 3 of NRS 487.100, shall issue a salvage title pursuant to NRS 487.810 to the automobile wrecker or salvage pool who towed the vehicle or to whom the vehicle may have been delivered, or a certificate of title to the garage owner if the garage owner elects to retain the vehicle and the

vehicle is equipped as required by chapter 484D of NRS.] (Deleted by amendment.)

- Sec. 3. [NRS 487.260 is hereby amended to read as follows:
- 487.260 1. If the vehicle is appraised at a value of more than \$500, the state agency or political subdivision shall dispose of it as provided in NRS 487.270
- 2. If the vehicle is appraised as a junk vehicle, the Department may issue a junk certificate to the automobile wreeker, salvage pool or tow operator who removed the vehicle.
- 3. An automobile wrecker who possesses a junk certificate for a junk vehicle may process the vehicle for parts or scrap metal pursuant to NRS 487.105.
- 4. A vehicle for which a junk certificate has been issued may be sold to an automobile wreeker by the person to whom the junk certificate was issued by the seller's endorsement on the certificate. Except as otherwise provided in subsection 3 of NRS 487.100, an automobile wreeker who purchases a vehicle for which a junk certificate has been issued shall immediately affix the business name of the automobile wreeker as purchaser to the first available space provided on the reverse side of the certificate. For the purposes of this subsection, such an automobile wreeker is the owner of the junk vehicle.
- 5. If insufficient space exists on the reverse side of a junk certificate to transfer the vehicle pursuant to subsection 4, except as otherwise provided in subsection 3 of NRS 487.100, an automobile wrecker who purchases a junk vehicle for which a junk certificate has been previously issued shall, within 10 days after purchase, apply to the Department for a new junk certificate and surrender the original certificate.
- 6. A person who sells a junk vehicle shall maintain, for at least 2 years, a copy of the junk certificate and a record of the name and address of the person from whom the vehicle was acquired and the date thereof. The person shall allow any peace officer or any investigator employed by a state agency to inspect the records during business hours.
- 7. An automobile wrecker who processes a junk vehicle for parts or scrap metal shall maintain records as required by NRS 487.170.
- 8. As used in this section, "junk vehicle" means a vehicle, including component parts, which:
- -(a) Has been discarded or abandoned:
- (b) Has been ruined, wrecked, dismantled or rendered inoperative:
- (e) Is unfit for further use in accordance with the original purpose for which it was constructed;
- (d) Is not registered with the Department or has not been reclaimed by the registered owner or a person having a security interest in the vehicle within 15 days after notification pursuant to NRS 487.250; and
- (e) Has value principally as scrap which does not exceed \$200.] (Deleted by amendment.)

## Sec. 4. [NRS 487.270 is hereby amended to read as follows:

- 487.270 1. Whenever a vehicle has been removed to a garage, salvage pool or other place as provided by NRS 487.230, the owner of the garage, [or] the automobile wrecker or the salvage pool who towed the vehicle has a lien on the vehicle for:
- (a) The costs of towing and storing for a period not exceeding 90 days; and
   (b) If the vehicle was removed from public property at the request of a constable, the fee described in paragraph (d) of subsection 2 of NRS 258.125.
- 2. If the vehicle is appraised at a value of \$500 or less and is not reclaimed within the period prescribed in NRS 487.250, the owner of the garage, [or] automobile wrecker or salvage pool may satisfy his or her lien by retaining the vehicle and obtaining a certificate pursuant to NRS 487.880, if applicable, or a salvage title as provided in NRS 487.810.
- 3. If the vehicle is appraised at a value of more than \$500 and is not reclaimed within 45 days, the owner of the garage, [or] automobile wrecker or salvage pool may satisfy his or her lien, in accordance with the provisions of NRS 108.265 to 108.367, inclusive. Before such a person may sell the vehicle, the person shall obtain a certificate pursuant to NRS 487.880, if applicable, or a salvage title as provided in NRS 487.810.
- 4. If the vehicle was removed from public property at the request of a constable and the owner of the garage, [or] automobile wrecker or salvage pool satisfies his or her lien pursuant to subsection 2 or 3, the owner of the garage, [or] automobile wrecker or salvage pool shall transmit to the constable the fee described in paragraph (d) of subsection 2 of NRS 258.125.] (Deleted by amendment.)
  - Sec. 5. NRS 487.800 is hereby amended to read as follows:
- 487.800 1. When an insurance company acquires a motor vehicle as a result of a settlement in which the motor vehicle is determined to be a salvage vehicle, the owner of the motor vehicle who is relinquishing ownership of the motor vehicle shall endorse the certificate of title of the motor vehicle and forward the endorsed certificate of title to the insurance company within 30 days after accepting the settlement from the insurance company. [The] Except as otherwise provided in subsection 2, the insurance company or its authorized agent shall forward the endorsed certificate of title, together with an application for a salvage title or nonrepairable vehicle certificate, to the state agency within 180 days after receipt of the endorsed certificate of title.
- 2. If the owner of the motor vehicle who is relinquishing ownership does not provide the endorsed certificate of title to the insurance company within 30 days after accepting the settlement pursuant to subsection 1, the insurance company shall, [within 180 days after the expiration of that 30 day period,] as soon as practicable, forward an application for a salvage title or nonrepairable vehicle certificate to the state agency. [The] Except as otherwise provided in [subsection] subsections 10 [,] and 11, the state agency shall issue a salvage title or nonrepairable vehicle certificate to the insurance company for the vehicle upon receipt of:

- (a) The application;
- (b) A motor vehicle inspection certificate signed by a representative of the Department or, as one of the authorized agents of the Department, by a peace officer, dealer, rebuilder, automobile wrecker, operator of a salvage pool or garage operator;
- (c) Documentation that the insurance company has made at least two written attempts by certified mail, return receipt requested, or by use of a delivery service with a tracking system, to obtain the endorsed certificate of title; and
- (d) Proof satisfactory to the state agency that the certificate of title was required to be surrendered to the insurance company as part of the settlement.
- 3. Except as otherwise provided in subsections 1 and 2, before any ownership interest in a salvage vehicle, except a nonrepairable vehicle, may be transferred, the owner or other person to whom the motor vehicle is titled:
- (a) If the person has possession of the certificate of title to the vehicle, shall forward the endorsed certificate of title, together with an application for salvage title to the state agency within 30 days after the vehicle becomes a salvage vehicle.
- (b) If the person does not have possession of the certificate of title to the vehicle and the certificate of title is held by a lienholder, shall notify the lienholder within 10 days after the vehicle becomes a salvage vehicle that the vehicle has become a salvage vehicle. The lienholder shall, within 30 days after receiving such notice, forward the certificate of title, together with an application for salvage title, to the state agency.
- 4. An insurance company or its authorized agent may sell a vehicle for which a total loss settlement has been made with the properly endorsed certificate of title if the total loss settlement resulted from the theft of the vehicle and the vehicle, when recovered, was not a salvage vehicle.
- 5. An owner who has determined that a vehicle is a total loss salvage vehicle may sell the vehicle with the properly endorsed certificate of title obtained pursuant to this section, without making any repairs to the vehicle, to a salvage pool, automobile auction, rebuilder, automobile wrecker or a new or used motor vehicle dealer.
- 6. Except with respect to a nonrepairable vehicle, if a salvage vehicle is rebuilt and restored to operation, the vehicle may not be licensed for operation, displayed or offered for sale, or the ownership thereof transferred, until there is submitted to the state agency with the prescribed salvage title, an appropriate application, other documents, including, without limitation, an affidavit from the state agency attesting to the inspection and verification of the vehicle identification number and the identification numbers, if any, for parts used to repair the motor vehicle and fees required, together with a certificate of inspection completed pursuant to NRS 487.860.
- 7. Except with respect to a nonrepairable vehicle, if a total loss insurance settlement between an insurance company and any person results in the

retention of the salvage vehicle by that person, before the execution of the total loss settlement, the insurance company or its authorized agent shall:

- (a) Obtain, upon an application for salvage title, the signature of the person who is retaining the salvage vehicle;
- (b) Append to the application for salvage title the certificate of title to the motor vehicle or an affidavit stating that the original certificate of title has been lost; and
- (c) Apply to the state agency for a salvage title on behalf of the person who is retaining the salvage vehicle.
- 8. If the state agency determines that a salvage vehicle retained pursuant to subsection 6 is titled in another state or territory of the United States, the state agency shall notify the appropriate authority of that state or territory that the owner has retained the salvage vehicle.
- 9. A person who retains a salvage vehicle pursuant to subsection 7 may not transfer any ownership interest in the vehicle unless he or she has received a salvage title.
- 10. [The Department shall not issue a nonrepairable vehicle certificate, or enter any notation on a title or any record pertaining to a vehicle, based on information obtained from or reported to the National Motor Vehicle Title Information System established pursuant to 49 U.S.C. § 30502, and any regulations promulgated thereunder.] When a salvage pool, at the request of an insurance company, obtains possession of a vehicle that is the subject of an insurance claim and a total loss claim is not paid by the insurance company for the vehicle, the salvage pool, after the vehicle has been abandoned at the facility of the salvage pool for not less than 30 days, may apply for a salvage title or a nonrepairable vehicle certificate. The state agency shall issue a salvage title or nonrepairable vehicle certificate to the salvage pool upon receipt of:

## (a) The application;

- (b) A motor vehicle inspection certificate signed by a representative of the Department or, as one of the authorized agents of the Department, by a peace officer, dealer, rebuilder, automobile wrecker, operator of a salvage pool or garage operator; and
- (c) Documentation that the salvage pool has made at least two written attempts by certified mail, return receipt requested, or by use of a delivery service with a tracking system addressed to the owner of the vehicle and any known lienholder to have the vehicle removed from the facility of the salvage pool.
- 11. When an organization that the Secretary of the Treasury has determined to be tax exempt pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), obtains a vehicle by donation and the organization is unable to obtain the endorsed certificate of title, the organization may apply for a salvage title or a nonrepairable vehicle certificate. The state agency shall issue a salvage title or nonrepairable vehicle certificate to the organization upon receipt of:

### (a) The application;

- (b) A motor vehicle inspection certificate signed by a representative of the Department or, as one of the authorized agents of the Department, by a peace officer, dealer, rebuilder, automobile wrecker, operator of a salvage pool or garage operator; and
- (c) Evidence satisfactory to the Department that the organization made at least two written attempts, mailed to the address of the previous owner of the vehicle, to obtain the endorsed certificate of title.
  - Sec. 6. NRS 487.810 is hereby amended to read as follows:
- 487.810 1. The state agency may issue a salvage title for a vehicle, which contains a brief description of the vehicle, including, insofar as data may exist with respect to the vehicle, the make, type, serial number and motor number, or any other number of the vehicle, upon application, to:
  - (a) The owner of the vehicle;
  - (b) The person to whom the vehicle is titled;
- (c) An insurance company that acquires the vehicle as a salvage vehicle pursuant to subsection 1 of NRS 487.800; [or]
  - (d) A lienholder who acquires title to the vehicle [-];
- (e) A salvage pool who acquires the vehicle pursuant to subsection 10 of NRS 487.800; or
- (f) An organization that acquires the vehicle pursuant to subsection 11 of NRS 487.800.
- 2. A properly endorsed title, together with a disclosure of mileage, as required pursuant to the provisions of 49 U.S.C. §§ 32701 et seq. and 49 C.F.R. § 580.5, must be submitted with the application for salvage title.
- 3. <u>Within</u> *[Except as otherwise provided in subsection 7, within]* 2 days after receiving all necessary documents, the state agency shall issue a salvage title for the vehicle.
- 4. Except as otherwise provided in this subsection, the state agency shall charge and collect a fee of \$10 for the issuance of a salvage title pursuant to this section. The state agency shall not charge a fee for the issuance of a salvage title to an automobile wrecker licensed in this State. Fees collected by the state agency pursuant to this subsection must be deposited with the State Treasurer for credit to the Revolving Account for the Issuance of Salvage Titles created by NRS 487.825.
- 5. Ownership interest in a salvage vehicle may not be transferred unless a salvage title has been issued by the state agency for the vehicle.
- 6. Possession of a salvage title does not entitle a person to dismantle, scrap, process or wreck any vehicle in this State unless the person holds a license issued pursuant to NRS 487.050.
  - 7. The Department shall not issue *f*:
- (a) Issue] a salvage title for a nonrepairable vehicle.
- [(b) Issue a salvage title, or enter any notation on a title or any record pertaining to a vehicle,

→ based on information obtained from or reported to the National Motor Vehicle Title Information System established pursuant to 49 U.S.C. § 30502, and any regulations promulgated thereunder.]

- Sec. 7. NRS 487.820 is hereby amended to read as follows:
- 487.820 1. Except as otherwise provided in subsection 2<u>, 10 or 11</u> of NRS 487.800, if the applicant for a salvage title is unable to furnish the certificates of title and registration last issued for the vehicle, the state agency may accept the application, examine the circumstances of the case and require the filing of suitable affidavits or other information or documents. If satisfied that the applicant is entitled to a salvage title, the state agency may issue the salvage title.
- 2. No duplicate certificate of title or registration may be issued when a salvage title is applied for, and no fees are required for the affidavits of any stolen, lost or damaged certificate, or duplicates thereof, unless the vehicle is subsequently registered.
- 3. If an applicant is unable to satisfy the state agency that the applicant is entitled to a salvage title pursuant to subsection 1, the applicant may obtain a salvage title from the state agency by:
- (a) Filing a bond with the state agency that meets the requirements of subsection 5:
- (b) Allowing the state agency to inspect the vehicle to verify the vehicle identification number and the identification numbers, if any, for parts used to repair the vehicle; and
- (c) Authorizing the state agency to conduct a search through any national crime information system, including, without limitation, the:
- (1) National Crime Information Center, as defined in NRS 179A.061; and
- (2) National Motor Vehicle Title Information System of the United States Department of Justice.
- 4. Any person damaged by the issuance of the salvage title pursuant to subsection 3 has a right of action to recover on the bond for any breach of its conditions, except the aggregate liability of the surety to all persons must not exceed the amount of the bond. The state agency shall return the bond, and any deposit accompanying it, 3 years after the bond was filed with the state agency, except that the state agency must not return the bond if the state agency has been notified of the pendency of an action to recover on the bond.
  - 5. The bond required pursuant to subsection 3 must be:
  - (a) In a form prescribed by the state agency;
- (b) Executed by the applicant as principal and by a corporation qualified under the laws of this State as surety;
- (c) In an amount equal to [one and one half times] 25 percent of the value of the vehicle, as determined by the state agency; and
  - (d) Conditioned to indemnify any:
- (1) Prior owner or lienholder of the vehicle, and his or her successors in interest;

- (2) Subsequent purchaser of the vehicle, and his or her successors in interest; or
- (3) Person acquiring a security interest in the vehicle, and his or her successors in interest,
- ⇒ against any expense, loss or damage because of the issuance of the salvage title or because of any defect in or undisclosed security interest in the applicant's right or title to the vehicle or the applicant's interest in the vehicle.
- 6. A right of action does not exist in favor of any person by reason of any action or failure to act on the part of the state agency or any officer or employee thereof in carrying out the provisions of subsections 3, 4 and 5, or in giving or failing to give any information concerning the legal ownership of a vehicle or the existence of a salvage title obtained pursuant to subsection 3.
  - Sec. 8. [NRS-108.270 is hereby amended to read as follows:
- 108.270 Subject to the provisions of NRS 108.315:
- 1. A person engaged in the business of:
- (a) Buying or selling automobiles;
- (b) Keeping a garage or place for the storage, maintenance, keeping or repair of motor vehicles, motorcycles, motor equipment, trailers, mobile homes or manufactured homes, including the operator of a salvage pool; or
- (e) Keeping a mobile home park, mobile home lot or other land for rental of spaces for trailers, mobile homes or manufactured homes.
- motor vehicle, motorcycle, motor equipment, trailer, mobile home or manufactured home, or furnishes accessories, facilities, services or supplies therefor, at the request or with the consent of the owner or the owner's representatives, or at the direction of any peace officer or other authorized person who orders the towing or storage of any vehicle through any action permitted by law, has a lien upon the motor vehicle, motorcycle, motor equipment, trailer, mobile home or manufactured home or any part or parts thereof for the sum due for the towing, storing, maintaining, keeping or repairing of the motor vehicle, motorcycle, motor equipment, trailer, mobile home or manufactured home or for labor furnished thereon, or for furnishing accessories, facilities, services or supplies therefor, and for all costs incurred in enforcing such a lien.
- 2. A person engaged in the business of keeping a recreational vehicle park who, at the request or with the consent of the owner of a recreational vehicle or the owner's representative, furnishes facilities or services in the recreational vehicle park for the recreational vehicle, has a lien upon the recreational vehicle for the amount of rent due for furnishing those facilities and services, and for all costs incurred in enforcing such a lien.
- 3. A person who at the request of the legal owner performed labor on, furnished materials or supplies or provided storage for any aircraft, aircraft equipment or aircraft parts is entitled to a lien for such services, materials or supplies and for the costs incurred in enforcing the lien.

- 4. A person who owns private property on which a recreational vehicle is abandoned has a lien upon the recreational vehicle for the amount of rent due for the use of the private property to store the recreational vehicle and for the costs incurred in enforcing the lien.
- —5. Any person who is entitled to a lien as provided in subsections 1 to 4, inclusive, may, without process of law, detain the motor vehicle, motoreyele, motor equipment, trailer, recreational vehicle, mobile home, manufactured home, aircraft, aircraft equipment or aircraft parts at any time it is lawfully in the person's possession until the sum due is paid.
- -6. This section shall not be construed to require a lienholder to obtain or submit a storage agreement signed by the legal owner or the registered owner of a vehicle to enforce a lien in the case of storage of a vehicle which is based on:
- <del>(a) An insurance claim; or</del>
- (b) A charitable donation.
- 7. As used in this section, "private property" means any property not ewned by a governmental entity or devoted to public use.] (Deleted by amendment.)
  - Sec. 8.3. NRS 108.4743 is hereby amended to read as follows:
- 108.4743 "Personal property" means any property not affixed to land and includes, without limitation, merchandise, furniture, household items, motor vehicles, boats, [and] personal watercraft. [-] and trailers used to transport motor vehicles, boats or personal watercraft.
  - Sec. 8.5. NRS 108.4763 is hereby amended to read as follows:
- 108.4763 1. After the notice of the lien is mailed by the owner, if the occupant fails to pay the total amount due by the date specified in the notice, the owner may:
- (a) Enter the storage space and remove the personal property within it to a safe place.
- (b) Dispose of, but may not sell, any protected property contained in the storage space in accordance with the provisions of subsection 5 if the owner has actual knowledge of such protected property. If the owner disposes of the protected property in accordance with the provisions of subsection 5, the owner is not liable to the occupant or any other person who claims an interest in the protected property.
- (c) If the personal property upon which the lien is claimed is a motor vehicle, boat, [or] personal watercraft, and rent and other charges related to such property remain unpaid or unsatisfied for 60 days, have the property towed by any tow car operator subject to the jurisdiction of the Nevada Transportation Authority. If a motor vehicle, boat, [or] personal watercraft or trailer is towed pursuant to this paragraph, the owner is not liable for any damages to such property once the tow car operator takes possession of the motor vehicle, boat, [or] personal watercraft [-] or trailer.

- 2. The owner shall send to the occupant a notice of a sale to satisfy the lien by verified mail or, if available, by electronic mail at the last known address of the occupant and at the alternative address provided by the occupant in the rental agreement at least 14 days before the sale. If the notice is sent by electronic mail and no confirmation of receipt is received, the owner shall also send such notice to the occupant by verified mail at the last known address of the occupant. The notice must contain:
- (a) A statement that the occupant may no longer use the storage space and no longer has access to the occupant's personal property stored therein;
- (b) A statement that the personal property of the occupant is subject to a lien and the amount of the lien;
- (c) A statement that the personal property will be sold or disposed of to satisfy the lien on a date specified in the notice, unless the total amount of the lien is paid or the occupant executes and returns by verified mail, the declaration in opposition to the sale; and
  - (d) A statement of the provisions of subsection 3.
- 3. Proceeds of the sale over the amount of the lien and the costs of the sale must be retained by the owner and may be reclaimed by the occupant or the occupant's authorized representative at any time up to 1 year from the date of the sale.
- 4. The notice of the sale must also contain a blank copy of a declaration in opposition to the sale to be executed by the occupant if the occupant wishes to do so.
- 5. The owner may dispose of protected property contained in the storage space by taking the following actions, in the following order of priority, until the protected property is disposed of:
- (a) Contacting the occupant and returning the protected property to the occupant.
- (b) Contacting the secondary contact listed by the occupant in the rental agreement and returning the protected property to the secondary contact.
- (c) Contacting any appropriate state or federal authorities, including, without limitation, any appropriate governmental agency, board or commission listed by the occupant in the rental agreement pursuant to NRS 108.4755, ascertaining whether such authorities will accept the protected property and, if such authorities will accept the protected property, ensuring that the protected property is delivered to such authorities.
- (d) Destroying the protected property in an appropriate manner which is authorized by law and which ensures that any confidential information contained in the protected property is completely obliterated and may not be examined or accessed by the public.
  - Sec. 9. This act becomes effective on July 1, 2019.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 331 does three things to Senate Bill No. 491. It removes certain provisions regarding salvage pools and certain restrictions on the Department of Motor Vehicles regarding

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the use of certain information obtained from certain federal databases regarding vehicle title history; it provides for the issuance of a salvage title by the Department of Motor Vehicles for certain vehicles that are abandoned at a salvage pool or certain vehicles that are donated to charitable organizations and for which no other title can be obtained, and adds trailers to the list of items such as motor vehicles, boats and personal watercraft which may be included in the lien by the operator of a storage unit if storage fees are not paid by an occupant.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senator Cannizzaro moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 12:50 p.m.

#### SENATE IN SESSION

At 3:25 p.m.

President Marshall presiding.

Quorum present.

#### REPORTS OF COMMITTEE

#### Madam President:

Your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 90, 128, 130, 171, 187, 199, 200, 215, 220, 256, 289, 355, 371, 381, 385, 397, 432, 481, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

PAT SPEARMAN, Chair

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#### Madam President:

Your Committee on Education, to which were referred Senate Bills Nos. 99, 253, 319, 414, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Education, to which was re-referred Senate Bill No. 402, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Moises Denis, Chair

### Madam President:

Your Committee on Government Affairs, to which was referred Senate Bill No. 338, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DAVID R. PARKS, Chair

## Madam President:

Your Committee on Growth and Infrastructure, to which were referred Senate Bills Nos. 300, 346, 486, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

YVANNA D. CANCELA, Chair

#### Madam President:

Your Committee on Health and Human Services, to which was referred Senate Bill No. 378, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JULIA RATTI. Chair

#### Madam President:

Your Committee on Judiciary, to which were referred Senate Bills Nos. 8, 73, 121, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

NICOLE J. CANNIZZARO, Chair

#### Madam President:

Your Committee on Legislative Operations and Elections, to which was referred Senate Bill No. 129, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JAMES OHRENSCHALL, Chair

#### Madam President:

Your Committee on Natural Resources, to which were referred Senate Bills Nos. 310, 316, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MELANIE SCHEIBLE, Chair

#### Madam President:

Your Committee on Revenue and Economic Development, to which was referred Senate Bill No. 238, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARILYN DONDERO LOOP, Chair

#### WAIVERS AND EXEMPTIONS NOTICE OF EXEMPTION

April 22, 2019

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the exemption of: Senate Bill No. 266.

Also, the Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the eligibility for exemption of: Senate Bill No. 485.

MARK KRMPOTIC Fiscal Analysis Division

#### MOTIONS, RESOLUTIONS AND NOTICES

By Senators Hammond, Brooks, Cancela, Cannizzaro, Denis, Dondero Loop, Goicoechea, Hansen, Hardy, Harris, Kieckhefer, Ohrenschall, Parks, Pickard, Ratti, Scheible, Seevers Gansert, Settelmeyer, Spearman, Washington, Woodhouse; Assemblymen Wheeler, Assefa, Backus, Benitez-Thompson, Bilbray-Axelrod, Carlton, Carrillo, Cohen, Daly, Duran, Edwards, Ellison, Flores, Frierson, Fumo, Gorelow, Hafen, Hambrick, Hansen, Hardy, Jauregui, Kramer, Krasner, Leavitt, Martinez, McCurdy, Miller, Monroe-Moreno, Munk, Neal, Nguyen, Peters, Roberts, Smith, Spiegel, Swank, Thompson, Titus, Tolles, Torres, Watts and Yeager:

Senate Concurrent Resolution No. 7—Celebrating the sister-state relationship between the State of Nevada and Taiwan, and urging the enhancement of bilateral trade, educational and cultural relations.

Senator Hammond moved the adoption of the resolution.

## Remarks by Senator Hammond.

I am proud to be talking about Senate Concurrent Resolution No. 7. My two guests had to leave and return to San Francisco. They were the Director General of the Taipei Economic and Cultural Office in San Francisco, General Joseph Ma and his deputy Director, Jessie Chin of our sister-state, Taiwan. Almost every Session we discuss the importance of the bilateral relationship we have with them. It is an important one to me and other Legislators who have been here. This

is because of the deep commitment in Taiwan to the common values we both enjoy: freedom, democracy, rule of law and a free market economy. I have been to Taiwan and seen their commitment, since 1985, to a strong, bilateral religious, trade, education and cultural exchange as well as scientific and technological development and tourism. Please help me adopt this resolution stating our cultural and other like-minded thoughts.

Resolution Adopted.

Senator Hammond moved that all necessary rules be suspended, and that the resolution be immediately transmitted to the Assembly.

Motion carried.

Resolution ordered transmitted to the Assembly.

Senator Cannizzaro moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 3:31 p.m.

#### SENATE IN SESSION

At 3:37 P.M.

President Marshall presiding.

Quorum present.

#### SECOND READING AND AMENDMENT

Senate Bill No. 48.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 609.

SUMMARY—Authorizes certain local governments to increase diesel taxes under certain circumstances. (BDR 32-481)

AN ACT relating to taxation; authorizing boards of county commissioners in certain smaller counties to impose an additional tax on diesel fuel; authorizing persons who use diesel fuel in motor vehicles operated or intended to operate interstate to request and obtain reimbursement for the tax paid on diesel fuel consumed outside this State under certain circumstances; enacting provisions governing the distribution of the portion of the proceeds of the tax on diesel fuel reserved by the Department of Motor Vehicles to pay reimbursement for the tax; revising provisions governing the projects for which certain smaller counties may use the proceeds of an additional tax on diesel fuel; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes counties to impose taxes on motor vehicle fuel. (Chapter 373 of NRS) Under existing law, the board of county commissioners of a county whose population is 100,000 or more (currently Clark and Washoe Counties) is authorized, under certain circumstances, to impose county taxes on motor vehicle fuel and various special fuels used in motor vehicles. (NRS 373.030, 373.066, 373.0663) However, the board of county

commissioners of a county whose population is less than 100,000 (currently all counties other than Clark and Washoe Counties) is authorized to impose county taxes on motor vehicle fuel and is not authorized to impose county taxes on special fuel. (NRS 373.030, 373.065) Section 3 of this bill authorizes the board of county commissioners of a county whose population is less than 100,000 to impose a tax on special fuel that consists of diesel fuel sold in the county in an amount not to exceed 5 cents per gallon. Under section 3, an ordinance imposing such a tax must be adopted by a two-thirds majority of the board of county commissioners or by a majority of the registered voters in the county who vote on a question concerning the imposition of the tax which is submitted to the voters at a general election. In addition, under section 3, if the tax is imposed in a county, certain sales or uses of diesel fuel which are exempt from the taxes imposed on diesel fuel under existing law, including, without limitation, sales or uses of diesel fuel to which dye has been added in accordance with existing federal and state law, are exempt from the tax imposed pursuant to section 3. Sections 9-14 of this bill provide a tax imposed pursuant to section 3 would be administered, allocated, disbursed and used in the same manner as the existing county tax imposed on motor vehicle fuel.

Section 5 of this bill includes highway truck parking, as defined in section 2 of this bill, as a project for which a county whose population is less than 100,000 is authorized to use the proceeds of the county taxes on motor vehicle fuel and diesel fuel. Section 4 of this bill makes a conforming change related to the definition of "highway truck parking" established by section 2 of this bill.

The Department of Motor Vehicles is a party to the International Fuel Tax Agreement, a multistate agreement which facilitates the calculation and collection of certain fuel taxes from interstate trucking companies and others who use special fuel (primarily diesel fuel) in vehicles operated or intended to operate interstate. (NRS 366.175) Existing law: (1) authorizes certain special fuel users to file with the Department a request for reimbursement of amounts owed to the special fuel user as a result of the Department's entering into the International Fuel Tax Agreement and the imposition of a tax on special fuels consumed outside this State; and (2) requires the Department to adopt regulations establishing a system to provide for the reimbursement of a person who files such a request. (NRS 373.083) Section 7 of this bill authorizes a person who pays a tax imposed pursuant to section 3 in a county in which the total number of gallons of diesel fuel sold in the county in the immediately preceding fiscal year is 10,000,000 gallons or more to file such a request and obtain from the Department a reimbursement of the tax on diesel fuel which is consumed outside this State. Section 8 of this bill makes a conforming change related to such reimbursements.

Under existing regulations, for the purpose of paying reimbursements to special fuel users who file requests for reimbursement with the Department, the Department establishes a trust account for a county for which reimbursements are paid and deposits 20 percent of the amount of taxes

collected for the county in that trust account. Money in the trust account of a county must be used to pay requests for reimbursement of the tax imposed in the county which are approved by the Department, and any money remaining in the trust account after the payment of such reimbursements, including all accrued interest, must be distributed to the county for which the trust account was created. (NAC 373.160) Section 7 requires the Department to [establish a trust account for a county which imposes the tax on diesel fuel authorized by section 3 and use this system to reimburse a person who pays a tax imposed pursuant to section 3 in a county in which the total number of gallons of diesel fuel sold in the county in the immediately preceding fiscal year is 10,000,000 gallons or more. Section 7 also provides that under certain circumstances, a portion of the money in the trust account for such a county may be distributed to the Department of Transportation for use to construct, maintain or repair, or any combination thereof, highway truck parking, as defined in section 2, in the county. Section 6 of this bill makes a conforming change. Ito enable the money in the trust account to be distributed to the Department of Transportation.

Existing law requires the regional transportation commission in a county whose population is less than 100,000 to submit an annual report to the Department of Motor Vehicles showing for the fiscal year the amount of receipts from county motor vehicle fuel taxes and the nature of the expenditures for each project. (NRS 277A.360) Section 15 of this bill requires this annual report to show the amount of receipts from any tax imposed pursuant to section 3.

Section 16 of this bill provides that the authority to impose any tax pursuant to section 3 and the other provisions of this bill [become] becomes effective on July 1, 2019. However under section 3, an ordinance imposing the tax authorized by that section may not become effective earlier than January 1, 2020.

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

- Section 1. Chapter 373 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.5, 2 and 3 of this act.
- Sec. 1.5. "Diesel fuel" means any petroleum-based fuel meeting the ASTM D975 standards. The term includes, without limitation, diesel, biodiesel, as defined in NRS 366.022, biodiesel blend, as defined in NRS 366.023, biomass-based diesel, as defined in NRS 366.0235, biomass-based diesel blend, as defined in NRS 366.024, and kerosene blended with diesel.
- Sec. 2. "Highway truck parking" means a parking area with easy access to or from a highway which is designated for a truck having a gross weight of more than 10,000 pounds, in the course of the operation of the truck or during periods of mandated rest for the operator of the truck.
- Sec. 3. 1. In a county whose population is less than 100,000 and for all or part of which a streets and highways plan has been adopted as a part of the

master plan by the county or regional planning commission pursuant to NRS 278.150, the board may by ordinance impose a tax on special fuel that consists of diesel fuel sold in the county in an amount not to exceed 5 cents per gallon.

- 2. A board may not adopt an ordinance authorized by this section unless:
- (a) The ordinance is approved by at least a two-thirds majority of the members of the board; or
- (b) A question concerning the imposition of the tax pursuant to this section is first approved by a majority of the registered voters of the county voting upon the question, which the board may submit to the voters at any general election. The Committee on Local Government Finance shall annually provide to each city clerk, county clerk and district attorney in a county whose population is less than 100,000 forms for submitting a question to the registered voters of a county pursuant to this paragraph. Any question submitted to the registered voters of a county pursuant to this paragraph must be in the form most recently provided by the Committee on Local Government Finance.
- 3. A tax imposed pursuant to this section is in addition to other special fuel taxes imposed pursuant to the provisions of chapters 366 and 445C of NRS.
- 4. If an ordinance adopted pursuant to this section imposes the tax in an amount that is less than 5 cents per gallon, any increase in the amount of the tax must be approved in the manner set forth in subsection 2. Any such increase must not cause the amount of the tax authorized by this section to exceed 5 cents per gallon.
- 5. [Any] Except as otherwise provided in this subsection, any ordinance enacted pursuant to this section must provide that the tax authorized by this section, or any change in the amount of the tax, will become effective on the first day of the second calendar month following enactment of the ordinance imposing, or changing the amount of, the tax. An ordinance adopted pursuant to this section to impose the tax authorized by this section may not become effective earlier than January 1, 2020.
- 6. Any tax imposed pursuant to the provisions of this section does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any diesel fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:
  - (a) As diesel fuel to which dye has been added pursuant to such law; and
  - (b) As diesel fuel to which dye has not been added pursuant to such law.
  - Sec. 4. NRS 373.020 is hereby amended to read as follows:
- 373.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 373.0205 to 373.029, inclusive, *and* [section] sections 1.5 and 2 of this act have the meanings ascribed to them in those sections.
  - Sec. 5. NRS 373.028 is hereby amended to read as follows:
  - 373.028 "Project" means:

- 1. In a county whose population is 100,000 or more, street and highway construction, including, without limitation, the acquisition and improvement of any street, avenue, boulevard, alley, highway or other public right-of-way used for any vehicular traffic, and including a sidewalk designed primarily for use by pedestrians, and also, including, without limitation, grades, regrades, gravel, oiling, surfacing, macadamizing, paving, crosswalks, sidewalks, pedestrian rights-of-way, driveway approaches, curb cuts, curbs, gutters, culverts, catch basins, drains, sewers, manholes, inlets, outlets, retaining walls, bridges, overpasses, tunnels, underpasses, approaches, sprinkling facilities, artificial lights and lighting equipment, parkways, grade separators, traffic separators, and traffic control equipment, and all appurtenances and incidentals, or any combination thereof, including, without limitation, the acquisition and improvement of all types of property therefor.
- 2. In a county whose population is less than 100,000, street and highway construction, maintenance or repair, or any combination thereof, including, without limitation, the acquisition, maintenance, repair and improvement of highway truck parking or any street, avenue, boulevard, alley, highway or other public right-of-way used for any vehicular traffic, and including a sidewalk designed primarily for use by pedestrians, and also, including, without limitation, grades, regrades, gravel, oiling, surfacing, macadamizing, paving, crosswalks, sidewalks, pedestrian rights-of-way, driveway approaches, curb cuts, curbs, gutters, culverts, catch basins, drains, sewers, manholes, inlets, outlets, retaining walls, bridges, overpasses, tunnels, underpasses, approaches, sprinkling facilities, artificial lights and lighting equipment, parkways, grade separators, traffic separators, and traffic control equipment, and all appurtenances and incidentals, or any combination thereof, including, without limitation, the acquisition, maintenance, repair and improvement of all types of property therefor.
  - Sec. 6. NRS 373.080 is hereby amended to read as follows:
- 373.080 [All] Except as otherwise provided in NRS 373.083, all fuel taxes collected during any month by the Department pursuant to a contract with a county must be transmitted each month by the Department to the county and the Department shall, in accordance with the terms of the contract, charge the county for the Department's services specified in this section and in NRS 373.070, except that in the case of a fuel tax imposed pursuant to NRS 373.065, 373.066 [or] \_373.0663 [n] or section 3 of this act, the charge must not exceed 1 percent of the tax collected by the Department.
  - Sec. 7. NRS 373.083 is hereby amended to read as follows:
- 373.083 1. A person who uses special fuel in a motor vehicle operated or intended to operate interstate and who pays any tax imposed on [special]:
  - (a) Special fuels pursuant to NRS 373.066 or 373.0663 [may]; or
- (b) Special fuel that consists of diesel fuel pursuant to section 3 of this act in a county in which the total number of gallons of diesel fuel sold in the county during the immediately preceding fiscal year, as determined by the Department, is 10,000,000 gallons or more,

- → may file with the Department a request for reimbursement of any amounts owed to the person as a result of the Department entering into an agreement pursuant to NRS 366.175 and the imposition, pursuant to NRS 373.066 or 373.0663 [+] or section 3 of this act, of any tax on special fuels which are consumed outside this State.
- 2. The Department shall adopt regulations establishing a system to provide for the reimbursement and the auditing of the records of a person who files a request for reimbursement pursuant to subsection 1. The system established by the Department:
- (a) Must authorize a person who uses special fuel in motor vehicles operated or intended to operate interstate to file a request for reimbursement as provided in subsection 1;
- (b) Must provide that the Department will determine the eligibility for reimbursement of a person who files a request for reimbursement pursuant to subsection 1 before the Department will authorize the reimbursement;
- (c) Must provide that any reimbursement authorized by the Department be paid from only money received by a county pursuant to any tax imposed on special fuels pursuant to NRS 373.066 or 373.0663 [:] or section 3 of this act;
- (d) Must provide that the total amount of money which must be paid by any county in any fiscal year to reimburse any amounts owed to persons who use special fuel in motor vehicles operated or intended to operate interstate must not exceed 20 percent of the total amount of money collected by that county from any tax imposed on special fuels pursuant to NRS 373.066 or 373.0663 [;] or section 3 of this act; and
- (e) Must not apply to any tax imposed pursuant to NRS 373.066 during the term of any bonds outstanding on June 12, 2013, secured by those taxes or of any bonds that refund such bonds provided that the term of the refunding bonds is not longer than the term of the refunded bonds.
- 3. The Department shall charge and collect a fee in an amount not to exceed \$100 for each request for reimbursement filed by a person pursuant to subsection 1. All money from the fees collected by the Department pursuant to this subsection must be deposited in the Local Fuel Tax [Indexing] Fund created by NRS 373.087.
- 4. The Department and a commission which has been created in a county whose population is 700,000 or more and in which a tax is imposed pursuant to NRS 373.0663 may enter into an intergovernmental agreement or contract pursuant to which:
- (a) The commission agrees to pay for the costs incurred by the Department to establish the system pursuant to subsection 2 and administer the system until the amount of money received by the Department from the fees collected by the Department pursuant to subsection 3 is sufficient to pay the costs incurred by the Department to administer the system; and
- (b) The Department agrees to reimburse the commission for any money paid by the commission pursuant to paragraph (a) from a portion of the money

received by the Department from the fees collected by the Department pursuant to subsection 3.

- 5. For each county in which a tax is imposed pursuant to section 3 of this act and in which the total number of gallons of diesel fuel sold in the county during the immediately preceding fiscal year, as determined by the Department, is 10,000,000 gallons or more, the Department shall festablish and administer an interest-bearing trust account and deposit into the trust account 20 percent of the total amount of taxes collected by the county pursuant to section 3 of this act each month. Except as otherwise provided in this subsection, the Department shall use money deposited by the Department into such a trust account for a county, excluding the amount of any accrued interest, only] use the system established by the regulations adopted pursuant to subsection 2 to pay requests for reimbursement of the tax imposed in the county pursuant to section 3 of this act which are fully filed with the Department pursuant to paragraph (b) of subsection 1. [If the Department approves requests for reimbursement of the tax imposed in a county pursuant to section 3 of this act:
- (a) In an amount which is not more than 50 percent of the amount deposited by the Department in the trust account for that county during the fiscal year, excluding the amount of any accrued interest, the] The Department [must,] shall, at the end of [the] each fiscal year, [and after the payment of all requests for reimbursement approved by the Department,] distribute the [balance] remaining balance [in the trust account,] of any money retained by the Department to pay requests for reimbursement of the tax imposed in a county described in this subsection which are filed with the Department pursuant to paragraph (b) of subsection 1 and are approved by the Department, including the amount of any accrued interest, [as follows:
- (1) An] to the county and provide the county with an accounting of the total amount of the tax imposed pursuant to section 3 of this act which was collected for the county during the fiscal year, the amount of money retained by the Department to pay requests for reimbursement filed with the Department pursuant to paragraph (b) of subsection 1, the amount of interest accrued on such money retained by the Department and the amount of reimbursements of the tax paid. Using the accounting provided by the Department, the county shall, within 45 days after receiving the accounting and the distribution of money from the Department:
- (a) Deposit in the regional street and highway fund in the county treasury an amount equal to [the difference between]:
- (1) Fifty [50] percent of [the balance remaining in the trust account before the payment of all requests for reimbursement, excluding the amount of any accrued interest, and the amount of all requests for reimbursement paid by the Department must be distributed to the Department of Transportation and] the total amount of money retained by the Department to pay requests for reimbursement filed with the Department pursuant to paragraph (b) of subsection 1 during the fiscal year, plus any accrued interest; or

- (2) The entire amount of money distributed to the county pursuant to this paragraph, if that amount is less than 50 percent of the total amount of money retained by the Department to pay requests for reimbursement filed with the Department pursuant to paragraph (b) of subsection 1 during the fiscal year.
- (b) Transmit to the Department of Transportation the remaining amount of the distribution received from the Department of Motor Vehicles after making the deposit required by paragraph (a), which amount must be used by the Department of Transportation only to construct, maintain or repair, or any combination thereof, highway truck parking in the county. [; and]
- (2) Any balance remaining in the trust account after the payment of all requests for reimbursement approved by the Department and the distributions required by subparagraph (1), including any accrued interest, must be transmitted to the county in accordance with NRS 373.080.
- (b) In an amount which exceeds 50 percent, but does not exceed 100 percent, of the amount deposited in the trust account during the fiscal year, excluding any accrued interest, the balance remaining in the trust account after the payment of all requests for reimbursement approved by the Department, including the amount of any accrued interest, must be transmitted to the county in accordance with NRS 373 080
- (c) In an amount which exceeds the amount of money deposited into the trust account of the county during the fiscal year, excluding any accrued interest, the Department must pay the approved requests for reimbursement on a pro rata basis and distribute any accrued interest to the county in accordance with NRS 373.080. For the purposes of this paragraph, "pro rata basis" means that the amount of each request for reimbursement approved by the Department will be proportionally reduced by multiplying the amount of reimbursement approved by the ratio of the total amount of money deposited into the trust account during the fiscal year, exclusive of interest, divided by the total amount of requests for reimbursement approved by the Department.]
- $\it 6$ . As used in this section, "special fuel" has the meaning ascribed to it in NRS 366.060.
  - Sec. 8. NRS 373.087 is hereby amended to read as follows:
- 373.087 1. The Local Fuel Tax [Indexing] Fund is hereby created as an enterprise fund. The Department shall deposit in the Fund all fees collected by the Department pursuant to subsection 3 of NRS 373.083. The Director of the Department shall administer the Fund.
- 2. Money in the Fund must be invested as the money in other state funds is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund. Claims against the Fund must be paid as other claims against the State are paid.
  - 3. Money deposited in the Fund must only be expended:
- (a) To administer the system established by the Department pursuant to NRS 373.083; and

- (b) To reimburse a commission for any amounts paid by the commission pursuant to an intergovernmental agreement or contract entered into pursuant to subsection 4 of NRS 373.083.
- 4. The Director may maintain a reserve of not more than \$500,000 in the Fund. The reserve must be accounted for separately in the Fund and must only be expended to administer the system established by the Department pursuant to NRS 373.083.
  - 5. Any balance remaining in the Fund at the end of any fiscal year:
  - (a) Does not revert to the State General Fund; and
  - (b) Must be carried forward to the next fiscal year.
  - Sec. 9. NRS 373.110 is hereby amended to read as follows:
  - 373.110 All the net proceeds of any county fuel tax:
- 1. Imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 or section 3 of this act which are received by the county pursuant to NRS 373.080 must, except as otherwise provided in NRS 373.0675 and 373.119, be deposited by the county treasurer in a fund to be known as the regional street and highway fund in the county treasury, and disbursed only in accordance with the provisions of this chapter and chapter 277A of NRS. After July 1, 1975, the regional street and highway fund must be accounted for as a separate fund and not as a part of any other fund.
- 2. Imposed pursuant to the provisions of paragraph (a), (b) or (c) of subsection 1 of NRS 373.065, paragraph (a), (b) or (c) of subsection 1 of NRS 373.066 or paragraph (a), (b) or (c) of subsection 1 of NRS 373.0663 which are received by the county pursuant to NRS 373.080 must be allocated, disbursed and used as provided in the ordinance imposing the tax.
  - Sec. 10. NRS 373.119 is hereby amended to read as follows:
- 373.119 1. Except to the extent pledged before July 1, 1985, and except as otherwise provided in NRS 373.0675, the board may use that portion of the revenue collected pursuant to the provisions of this chapter from any taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 or section 3 of this act that represents collections from the sale of fuel for use in boats at marinas in the county to make capital improvements or to conduct programs to encourage safety in boating. If the county does not control a body of water, where an improvement or program is appropriate, the board may contract with an appropriate person or governmental organization for the improvement or program.
- 2. Each marina shall report monthly to the Department the number of gallons of motor vehicle fuel sold for use in boats. The report must be made on or before the 25th day of each month for sales during the preceding month.
  - Sec. 11. NRS 373.120 is hereby amended to read as follows:
  - 373.120 1. No county fuel tax ordinance may be repealed or amended or

otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

- 2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065, 373.066 or 373.0663, or section 3 of this act, of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.
- 3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to NRS 373.0663 must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to NRS 373.0663 are issued or incurred, but the taxes imposed pursuant to NRS 373.0663 that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.
- 4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to NRS 373.0663, the board may, except as otherwise provided in subsection 5 of NRS 373.0663, by ordinance:
- (a) Continue the pledge of the increase in taxes imposed pursuant to NRS 373.0663 beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to NRS 373.0663 are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to NRS 373.0663 have been paid in full.
- (b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:
  - (1) The applicable percentage must not exceed 7.8 percent;
- (2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

- (3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:
- (I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to NRS 373.0663 are issued or incurred; or
- (II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).
- 5. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 6 of NRS 373.0663.
  - Sec. 12. NRS 373.131 is hereby amended to read as follows:
- 373.131 1. Money for the payment of the cost of a project within the area embraced by a regional plan for transportation established pursuant to NRS 277A.210 may be obtained by the issuance of revenue bonds and other revenue securities as provided in subsection 2 or, subject to any pledges, liens and other contractual limitations made pursuant to the provisions of this chapter and chapter 277A of NRS, may be obtained by direct distribution from the regional street and highway fund, except to the extent any such use is prevented by the provisions of NRS 373.150, or may be obtained both by the issuance of such securities and by such direct distribution, as the board may determine. Money for street and highway construction outside the area embraced by the plan may be distributed directly from the regional street and highway fund as provided in NRS 373.150.
- 2. The board or, in a county whose population is 100,000 or more, a commission, may, after the enactment of any ordinance authorized or required by the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 [1] or section 3 of this act, issue revenue bonds and other revenue securities, on the behalf and in the name of the county or the commission, as the case may be:
- (a) The total of all of which, issued and outstanding at any one time, must not be in an amount requiring a total debt service in excess of the estimated receipts to be derived from the taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 and section 3 of this act and, with respect to notes, warrants or interim debentures described in paragraphs (a) and (b) of subsection 6, the proceeds of bonds or interim debentures;
- (b) Which must not be general obligations of the county or the commission or a charge on any real estate within the county; and
- (c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the fuel taxes designated in this chapter, except such portion of the receipts as may be required for the direct distributions authorized by NRS 373.150.

- 3. A county or a commission as provided in subsection 2 is authorized to issue bonds or other securities without the necessity of their being authorized at any election in such manner and with such terms as provided in this chapter.
- 4. Subject to the provisions of this chapter and chapter 277A of NRS, for any project authorized therein, the board of any county may, on the behalf and in the name of the county, or, in a county whose population is 100,000 or more, a commission may, on behalf and in the name of the commission, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county or commission securities, and in connection with the undertaking or project, the board or the commission, as the case may be, may otherwise proceed as provided in the Local Government Securities Law.
- 5. All such securities constitute special obligations payable from the net receipts of the fuel taxes designated in this chapter except as otherwise provided in NRS 373.150, and the pledge of revenues to secure the payment of the securities must be limited to those net receipts.
  - 6. Except for:
- (a) Any notes or warrants which are funded with the proceeds of interim debentures or bonds;
  - (b) Any interim debentures which are funded with the proceeds of bonds;
  - (c) Any temporary bonds which are exchanged for definitive bonds;
  - (d) Any bonds which are reissued or which are refunded; and
- (e) The use of any profit from any investment and reinvestment for the payment of any bonds or other securities issued pursuant to the provisions of this chapter,
- → all bonds and other securities issued pursuant to the provisions of this chapter must be payable solely from the proceeds of fuel taxes collected by or remitted to the county pursuant to chapter 365 of NRS, as supplemented by this chapter. Receipts of the taxes levied in NRS 365.180 and 365.190 and pursuant to the provisions of paragraphs (a) and (b) of subsection 1 of NRS 373.065, paragraphs (a) and (b) of subsection 1 of NRS 373.066 and paragraphs (a) and (b) of subsection 1 of NRS 373.0663 may be used by the county for the payment of securities issued pursuant to the provisions of this chapter and may be pledged therefor. Such taxes may also be used by a commission in a county whose population is 100,000 or more for the payment of bonds or other securities issued pursuant to the provisions of this chapter and may be pledged therefor if the board of the county consents to such use. If during any period any securities payable from these tax proceeds are outstanding, the tax receipts must not be used directly for the construction, maintenance and repair of any streets, roads or other highways nor for any purchase of equipment therefor, and the receipts of the tax levied in NRS 365.190 must not be apportioned pursuant to subsection 2 of NRS 365.560 unless, at any time the tax receipts are so apportioned, provision has been made in a timely manner for the payment of such outstanding securities as to the principal of, any prior redemption premiums due in connection with, and the interest on the securities as they become due, as

provided in the securities, the ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing their issuance and any other instrument appertaining to the securities.

- 7. The ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing the issuance of any bond or other revenue security under this section must describe the purpose for which it is issued at least in general terms and may describe the purpose in detail. This section does not require the purpose so stated to be set forth in the detail in which the project approved by the commission pursuant to subsection 2 of NRS 373.140 is stated, or prevent the modification by the board or commission, as the case may be, of details as to the purpose stated in the ordinance authorizing the issuance of any bond or other security after its issuance, subject to approval by the commission of the project as so modified, if such bond or other security is issued by the county and not the commission.
- 8. Notwithstanding any other provision of this chapter, no commission has authority to issue bonds or other securities pursuant to this chapter unless the commission has executed an interlocal agreement with the county relating to the issuance of bonds or other securities by the commission. Any such interlocal agreement must include an acknowledgment of the authority of the commission to issue bonds and other securities and contain provisions relating to the pledge of revenues for the repayment of the bonds or other securities, the lien priority of the pledge of revenues securing the bonds or other securities, and related matters.
  - Sec. 13. NRS 373.140 is hereby amended to read as follows:
- 373.140 1. After the enactment of ordinances as authorized in NRS 277A.170 and 373.030 [13] and section 3 of this act, all street and highway construction, surfacing or resurfacing projects in the county which are proposed to be financed from any county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0660 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 or section 3 of this act must first be submitted to the commission.
- 2. If the project is within the area covered by a regional plan for transportation established pursuant to NRS 277A.210, the commission shall evaluate it in terms of:
  - (a) The priorities established by the plan;
- (b) The relation of the proposed work to other projects already constructed or authorized:
- (c) The relative need for the project in comparison with others proposed; and
  - (d) The money available.
- → If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of any county fuel tax authorized pursuant

to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 [-] or section 3 of this act, except as otherwise provided in NRS 373.0675, otherwise required by subsection 6 or to the extent any such use is prevented by the provisions for direct distribution required by NRS 373.150 or is prevented by any pledge to secure the payment of outstanding bonds, other securities or other obligations incurred under this chapter, and other contractual limitations appertaining to such obligations as authorized by NRS 373.160, and the proceeds of revenue bonds or other securities issued or to be issued as provided in NRS 373.131. Except as otherwise provided in subsection 3, if the board authorizes the project, the responsibilities for letting construction and other necessary contracts, contract administration, supervision and inspection of work and the performance of other duties related to the acquisition of the project must be specified in written agreements executed by the board and the governing bodies of the cities and towns within the area covered by a regional plan for transportation established pursuant to NRS 277A.210.

- 3. In a county in which two or more governmental entities are represented on the commission, the governing bodies of those governmental entities may enter into a written master agreement that allows a written agreement described in subsection 2 to be executed by only the commission and the governmental entity that receives funding for the approved project. The provisions of a written master agreement must not be used until the governing body of each governmental entity represented on the commission ratifies the written master agreement.
- 4. If the project is outside the area covered by a plan, the commission shall evaluate it in terms of:
- (a) Its relation to the regional plan for transportation established pursuant to NRS 277A.210, if any;
- (b) The relation of the proposed work to other projects constructed or authorized:
- (c) The relative need for the proposed work in relation to others proposed by the same city or town; and
  - (d) The availability of money.
- → If the commission approves the project, the board shall direct the county treasurer to distribute the sum approved to the city or town requesting the project, in accordance with NRS 373.150.
- 5. In counties whose population is less than 100,000, the commission shall certify the adoption of the plan in compliance with subsections 2 and 4.
- 6. The proceeds of a tax imposed pursuant to any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 must be expended in accordance with priorities for projects established in coordination and cooperation with the Department of Transportation.

- Sec. 14. NRS 373.160 is hereby amended to read as follows:
- 373.160 1. The ordinance or ordinances, or the resolution or resolutions. providing for the issuance of any bonds or other securities issued under this chapter payable from the receipts from the fuel excise taxes designated in this chapter may at the discretion of the board or, in the case of bonds or other securities issued by a commission, the commission, in addition to covenants and other provisions authorized in the Local Government Securities Law, contain covenants or other provisions as to the pledge of and the creation of a lien upon the receipts of the taxes collected for the county pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 [ and section 3 of this act, excluding any tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued under this chapter.
- 2. If the board or, in the case of bonds or other securities issued by a commission, the commission, determines in any ordinance or resolution authorizing the issuance of any bonds or other securities under this chapter that the proceeds of the taxes levied and collected pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.0663 or section 3 of this act are sufficient to pay all bonds and securities, including the proposed issue, from the proceeds thereof, the board or, in the case of bonds or other securities issued by a commission, the commission with the consent of the board as provided in subsection 6 of NRS 373.131, may additionally secure the payment of any bonds or other securities issued pursuant to the ordinance or resolution under this chapter by a pledge of and the creation of a lien upon not only the proceeds of any fuel tax authorized at the time of the issuance of such securities to be used for such payment in subsection 6 of NRS 373.131, but also the proceeds of any such tax thereafter authorized to be used or pledged, or used and pledged, for the payment of such securities, whether such tax be levied or collected by the county, the State of Nevada, or otherwise, or be levied in at least an equivalent value in lieu of any such tax existing at the time of the issuance of such securities or be levied in supplementation thereof.
- 3. The pledges and liens authorized by subsections 1 and 2 extend to the proceeds of any tax collected for use by the county on any fuel so long as any bonds or other securities issued under this chapter remain outstanding and are not limited to any type or types of fuel in use when the bonds or other securities are issued.
  - Sec. 15. NRS 277A.360 is hereby amended to read as follows:
- 277A.360 In counties having a population of less than 100,000, the commission shall submit an annual report to the Department for the fiscal year

showing the amount of receipts from the county [motor vehicle] fuel [tax] taxes imposed pursuant to chapter 373 of NRS and the nature of the expenditures for each project.

Sec. 16. This act becomes effective on July 1, 2019.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senators Dondero Loop and Kieckhefer.

SENATOR DONDERO LOOP:

Amendment No. 609 to Senate Bill No. 48 establishes a definition for "diesel fuel" within chapter 373 of *Nevada Revised Statutes* governing county taxes on fuel; provides that an ordinance to impose the tax on diesel fuel pursuant to the bill may not become effective earlier than January 1, 2020, and provides that the Department of Motor Vehicles, for its services to administer the tax, must retain a service charge of an amount not to exceed 1 percent of the diesel fuel taxes collected.

Finally, it eliminates the provisions of the bill which required the Department of Motor Vehicles to establish a trust account and to transmit a portion of the diesel fuel tax proceeds from the trust account to the Department of Transportation for truck parking. Instead, the amendment requires the Department of Motor Vehicles to transmit certain proceeds to the county, and it requires the county to distribute the portion specified for truck parking to the Department of Transportation within 45 days after receiving the proceeds from the Department of Motor Vehicles.

#### SENATOR KIECKHEFER:

The coversheet for this amendment says it replaces Amendment No. 471. I cannot find that amendment so do not know what the difference is between the one on our desk and what was originally reported out of Committee.

SENATOR DONDERO LOOP:

I do not have that information in front of me.

SENATOR KIECKHEFER:

I will continue to investigate before it goes to General File.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 50.

Bill read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 460.

SUMMARY—Revises provisions governing the temporary limited appointment of persons with disabilities by state agencies. (BDR 23-230)

AN ACT relating to the state personnel system; revising provisions governing the temporary limited appointment of persons with disabilities by state agencies; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

With limited exceptions, existing law requires agencies of the Executive Department of the State Government to make temporary limited appointments of persons with disabilities who are certified by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation to certain positions in state service for a period not to exceed 700 hours. (NRS 284.327) [This] Section 1 of this bill makes such appointments by those agencies

discretionary, but requires the agencies to consider for a temporary limited appointment to such an available position any person with a disability who is certified by the Rehabilitation Division and is eligible for appointment to the position.

For purposes of temporary limited appointments, existing law requires a person with a disability who is certified by the Rehabilitation Division to: (1) possess the training and skills necessary for the position for which the person is certified; and (2) be able to perform, with or without accommodation, the essential functions of that position. (NRS 284.327) [This] Section 1 of this bill clarifies that such an accommodation must be reasonable.

Existing law prohibits an appointing authority from making a temporary limited appointment of a certified person with a disability if the certified person with a disability currently receives benefits from the agency of the Executive Department of the State Government in which the position exists. (NRS 284.327) [This] Section 1 of this bill removes this prohibition and requires that the receipt of such benefits by a certified person with a disability not be deemed to create an actual or potential conflict of interest for purposes of the additional prohibition in existing law against an appointing authority making a temporary limited appointment in circumstances where an actual or potential conflict of interest would be created between the certified person with a disability and the agency in which the position exists.

Section 2 of this bill makes these provisions become effective on October 1, 2019.

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

Section 1. NRS 284.327 is hereby amended to read as follows:

- 284.327 1. Except as otherwise provided in subsection [4,] 5, if an appointing authority has a position available and the position is not required to be filled in another manner pursuant to this chapter, to assist persons with disabilities certified by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation, the appointing authority [shall, if possible, make a]:
- (a) Shall consider for the position any such certified person with a disability who is eligible for appointment to the position; and
- (b) May make a temporary limited appointment of any such certified person with a disability to the position.
- 2. A temporary limited appointment of a certified person with a disability [for a period] pursuant to this section must not [to] exceed a period of 700 hours notwithstanding that the position so filled is a continuing position.
- [2.] 3. A person with a disability who is certified by the Rehabilitation Division must be placed on the appropriate list for which the person is eligible. Each such person must:
- (a) Possess the training and skills necessary for the position for which the person is certified; and

- (b) Be able to perform, with or without *reasonable* accommodation, the essential functions of that position.
- [3.] 4. The Rehabilitation Division must be notified of an appointing authority's request for a list of eligibility on which the names of one or more certified persons with disabilities appear. A temporary limited appointment of a certified person with a disability pursuant to this section constitutes the person's examination as required by NRS 284.215.
- [4.] 5. An appointing authority shall not make a temporary limited appointment of a certified person with a disability pursuant to this section [:
- (a) If the certified person with a disability currently receives benefits from the agency of the Executive Department of the State Government in which the position exists; or
- (b) In] in any [other circumstances] circumstance that the appointing authority determines would create an actual or potential conflict of interest between the certified person with the disability and the agency of the Executive Department of the State Government in which the position exists. For the purposes of this subsection, the receipt of benefits by the certified person with the disability from the agency of the Executive Department of the State Government in which the position exists shall not be deemed to create an actual or potential conflict of interest between the certified person with the disability and the agency.
- [5.] 6. Each appointing authority shall ensure that there is at least one person on the staff of the appointing authority who has training concerning:
- (a) Making a temporary limited appointment of a certified person with a disability pursuant to this section; and
  - (b) The unique challenges a person with a disability faces in the workplace.
- [6.] 7. The Commission shall adopt regulations to carry out the provisions of subsections 1 [and 2.
- $\frac{-7.1}{}$ , 2 and 3.
- 8. This section does not deter or prevent appointing authorities from employing:
- (a) A person with a disability if the person is available and eligible for permanent employment.
- (b) A person with a disability who is employed pursuant to the provisions of subsection 1 in permanent employment if the person qualifies for permanent employment before the termination of the person's temporary limited appointment.
- [8.] 9. If a person appointed pursuant to this section is subsequently appointed to a permanent position during or after the 700-hour period, the 700 hours or portion thereof counts toward the employee's probationary period.
- Sec. 2. This act becomes effective upon passage and approval for the purposes of adopting regulations and performing any other preparatory

administrative tasks that are necessary to carry out the provisions of this act, and on [July] October 1, 2019, for all other purposes.

Senator Ohrenschall moved the adoption of the amendment.

Remarks by Senator Ohrenschall.

Amendment No. 460 to Senate Bill No. 50 adjusts the effective date from July 1, 2019, to October 1, 2019.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 342.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary: Amendment No. 447.

SUMMARY—Revises provisions relating to animals. (BDR 14-748)

AN ACT relating to animals; revising provisions relating to an animal impounded by a county, [agency or facility] city or other local government under certain circumstances; providing for a hearing to determine whether a person is the owner of an animal and whether the person is <u>fit and</u> able to provide adequate care and shelter for that animal; requiring and authorizing a court to issue certain orders after such a hearing; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that if a person is lawfully arrested and detained in a county for more than 7 days, and if the county impounds any animal owned or possessed by the person, the county must: (1) notify the person of the impoundment and request that the person provide to the county the name of any person who is authorized to care for the animal: (2) transfer, under certain circumstances, the animal to the person who is so authorized; and (3) if there is no such person, allow another person to care for the animal temporarily and, with the consent of the person who is arrested and detained, adopt the animal. Existing law also authorizes the county to bring an appropriate legal action to recover the reasonable cost of care and shelter of the animal under certain circumstances. (NRS 171.1539) Section 1 of this bill provides that if a person is lawfully arrested and detained in a county, city or other local government, other than for a violation of certain acts which constitute engaging in cruelty to animals, and the county impounds any animal owned or possessed by the person, the county may, within [15] 10 days after the arrest: (1) [allow the person to pay in advance for the care and shelter of the animal based on increments of 30 days; (2) if the person is homeless and makes a request, provide not less than 30 days of care and shelter to the animal: (3)1 allow another person who is able to provide adequate care and shelter to care for the animal temporarily; or  $\frac{(4)}{(2)}$  (2) take possession of the animal. Section 1 also requires the feounty to provide State to create and maintain a written notice fdirectly to the person or post such notice in a conspicuous place in each detention facility which: (1) informs the person that an animal owned or

possessed by the person may have been impounded; (2) provides the [telephone number of the county, facility or agency] current contact information of an animal shelter in each county, city or other local government responsible for impounding the animal; [and] (3) is made available in certain languages [.]; (4) is provided to each county or city jail or detention facility; and (5) must be posted in a conspicuous place in each county or city jail or detention facility.

Existing law requires a peace officer or animal control officer to take possession of an animal being treated cruelly. Existing law also requires an officer to provide certain notices to the owner of an animal of which the officer took possession. Existing law authorizes such an officer to impose a lien on the animal for the reasonable cost of care and shelter of the animal. (NRS 574.055) Sections 3-9 of this bill establish provisions relating to an animal impounded incident to the lawful arrest <del>[and detainment]</del> of a person in violation of provisions relating to an act which constitutes cruelty to animals. Section 7 of this bill [authorizes] requires a prosecutor to provide notice to such a person of his or her right to request a hearing within [15] 2 days after the arrest [and detainment] to determine whether the person is the owner of the animal and whether the person is able or fit to provide adequate care and shelter to the animal. Section 7 requires the court hold such a hearing within 15 judicial days after receiving notice of the request. Section 8 of this bill requires the court to order, under certain circumstances, <del>[: (1) the person</del> detained to pay certain costs for the care and shelter of the animal or to take possession of the animal; or (2) another person to take possession of the animal. If the court determines that the person detained is not the owner of the animal or is not able or fit to provide adequate care and shelter of the animal, section 8: (1) requires the court to order the person not to own or possess the animal and to order the transfer of the animal; and (2) authorizes the court to order the impoundment of certain other animals or enjoin the person from owning or possessing other animals. Section 9 of this bill authorizes: (1) the county, <del>[agency or facility]</del> city or other local government or animal shelter to bring an appropriate legal action to recover the reasonable cost of the shelter and care of the animal; and (2) the court to order a later and separate hearing for such an action.

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

Section 1. NRS 171.1539 is hereby amended to read as follows:

171.1539 1. [Iff] Except as otherwise provided in sections 3 to 9, inclusive, of this act, if a person is lawfully arrested and detained [in a county for more than 7 days,] and [iff] any animal owned or possessed by the person is impounded by the county , city or other local government in which the person is arrested at the time of the arrest or after the arrest, [the county must notify the person of the impoundment of the animal and request that] the person may provide [to the county] the name of any person who is authorized to care for the animal. The county , city or other local government or animal

<u>shelter</u> must transfer the animal to such a person if the county <u>, city or other local government</u> determines that the person is able to provide adequate care and shelter to the animal. If <u>{there is}</u> within <u>{15}</u> <u>10</u> days after the county <u>, city or other local government impounds the animal no such authorized person <del>[who]</del> is able to provide adequate care and shelter to the animal, the county <del>[may allow]</del> , city or other local government or animal shelter:</u>

- (a) [May allow the person detained to pay in advance to the county the cost of care and shelter of the animal calculated based on increments of 30 days;
- (b) If the person detained is homeless and if the person makes a request within 15 days after being arrested and detained, shall provide care and shelter for the animal for not less than 30 days at no cost to the person;
- —(e)] May allow another person who is able to provide adequate care and shelter to care for the animal temporarily [and, with the consent of the person who is arrested and detained, allow the other person to adopt the animal.]; or [(d)] (b) May take possession of the animal.
- 2. [If] The [county] State shall [provide] create and maintain a written notice [to a person arrested and detained pursuant to subsection 1 or post written notice in a conspicuous place in each detention facility. Such a notice] which must:
- (a) Inform the person or the public that an animal, owned or possessed by a person who has been arrested and detained, may have been impounded;
- (b) Include the <u>{telephone number}</u> <u>current contact information of {the}</u> <u>each animal shelter in each county, {agency or facility}</u> <u>city or other local government responsible for:</u>
  - (1) Impounding [the] an animal; and
  - (2) Providing care and shelter to [the] an animal; [and]
- (c) Be available in English, Spanish, Tagalog and Standard Chinese [++]:
- (d) Be provided to each county or city jail or detention facility; and
- (e) Be posted in a conspicuous place in each county or city jail or detention facility.
- 3. [Except as otherwise provided in paragraph (b) of subsection 1 if] <u>A</u> person lawfully arrested and detained:
- (a) May make a reasonable number of completed telephone calls from a county or city jail or detention facility for the purpose of locating an animal impounded pursuant to this section; and
- (b) Shall not be charged for each completed call to an animal shelter listed in the written notice posted pursuant to subsection 2.

- [3.4.] 5. The board of county commissioners of each county, if its jurisdiction to enact and enforce ordinances relating to animals is not limited by an interlocal agreement, may adopt an ordinance which provides for time in addition to the time set forth in subsection 1 of not less than 5 days to a person lawfully arrested or detained for the purpose of providing the person a reasonable opportunity to locate another person to take possession of an animal. Such a reasonable opportunity is provided upon assistance from a county, city or other local government or an animal shelter.
- 6. The city council or other governing body of each incorporated city, whether organized under general law or special charter, if its jurisdiction to enact and enforce ordinances relating to animals is not limited by an interlocal agreement, may adopt an ordinance which provides for time of not less than 5 days to a person lawfully arrested or detained for the purpose of providing the person a reasonable opportunity to locate another person to take possession of an animal. Such a reasonable opportunity is provided upon assistance from a county, city or other local government or an animal shelter.

  7. As used in this section [-"animal"]:
- <u>(a) "Animal"</u> means any dog, cat, horse or other domesticated animal. The term:
- $\frac{\{(a)\}}{(a)}$  Includes any chicken, pig, rabbit or other domesticated animal which is maintained as a pet.
- <del>[(b)]</del> (2) Except as otherwise provided in <del>[paragraph (a),]</del> <u>subparagraph 1,</u> does not include any cattle, sheep, goats, swine or poultry.
- (b) "Animal shelter" has the meaning ascribed to it in NRS 574.240.
- Sec. 2. Chapter 574 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 9, inclusive, of this act.
- Sec. 3. As used in sections 3 to 9, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 4, 5 and 6 of this act have the meanings ascribed to them in those sections.
  - Sec. 4. "Animal" has the meaning ascribed to it in NRS 171.1539.
- Sec. 5. "Animal rescue organization" has the meaning ascribed to it in NRS 574.205.
  - Sec. 6. "Animal shelter" has the meaning ascribed to it in NRS 574.240.
- Sec. 7. 1. If a person is lawfully arrested [and detained] for a violation of NRS 574.070 or 574.100 and if an animal owned or possessed by the person is impounded by the county, [agency or facility] city or other local government in connection with the arrest, the prosecutor shall notify the person [may] of his or her right to request a hearing [within 15 days after the arrest] to determine whether the person is the owner of the animal and whether the person is able to provide adequate care and shelter to the animal. Such notice must be provided within 2 judicial days after the arrest and state that the person has 5 days after receipt of the notice to request a hearing.
- 2. If a person who is lawfully arrested and detained for a violation of NRS 574.070 or 574.100 does not request a hearing pursuant to subsection 1, or an owner of the animal has not been identified  $\frac{1}{12}$  within 5 days of arrest.

the <u>feourt</u> county, city or other local government shall <del>forder the county to]</del> transfer <u>ownership of</u> the animal to an animal rescue organization, animal shelter or another person who is able to provide adequate care and shelter to the animal.

- 3. If the court receives a timely request pursuant to subsection 1, the court shall hold a hearing within 15 <u>judicial</u> days after receipt of the request to determine whether the person is the owner of an animal and whether the person is able and fit to provide adequate care and shelter to the animal.
- 4. For the purpose of conducting a hearing pursuant to this section, the court may consider:
- (a) Testimony of the peace officer or animal control officer who took possession of or impounded the animal or other witnesses concerning the conditions under which the animal was owned or kept;
- (b) Testimony and evidence related to veterinary care provided to the animal, including, without limitation, the degree or type of care provided to the animal;
- (c) Expert testimony as to community standards for the reasonable care of a similar animal;
- (d) Testimony of witnesses concerning the history of treatment of the animal or any other animal owned or possessed by the person;
- (e) Prior arrests or convictions related to subjecting an animal to an act of cruelty in violation of NRS 574.070 or 574.100; and
  - (f) Any other evidence which the court determines is relevant.
- Sec. 8. 1. If the court determines by clear and convincing evidence that the person detained is the owner of the animal and the person is able and fit to provide adequate care and shelter for the animal, the court shall order f:
- (a) The person to pay in advance to the county the cost of care and shelter of the animal calculated based on increments of 30 days;
- (e) Another person who is able to provide adequate care and shelter for the animal to take possession of the animal not later than 7 days after the issuance of the order.
- 2. If the court determines that there is not clear and convincing evidence that the person [detained] arrested is the owner of the animal or that the person detained is not able and fit to provide adequate care and shelter for the animal, the court shall order:
  - (a) The person not to own or possess the animal; and
- (b) The county, <del>[agency or facility]</del> <u>city or other local government</u> to transfer the animal to an animal rescue organization, animal shelter or another person who is able to provide adequate care and shelter to the animal.
- 3. If the court makes a determination pursuant to subsection 2, the court may:
- (a) Order the impoundment of any other animals owned or possessed by the person <del>[detained;]</del> arrested; or

- (b) Enjoin the person from owning or possessing any animal.
- Sec. 9. If the court makes a determination pursuant to subsection 2 of section 8 of this act, the county, <u>fagency or facility</u> <u>city or other local government or animal shelter</u> may by appropriate action recover the reasonable cost of any care and shelter furnished to the animal. The court may order a later and separate hearing to make a determination about such costs.
  - Sec. 10. NRS 574.050 is hereby amended to read as follows:
- 574.050 As used in NRS 574.050 to 574.200, inclusive [:], and sections 3 to 9, inclusive, of this act:
- 1. "Animal" does not include the human race, but includes every other living creature.
- 2. "First responder" means a person who has successfully completed the national standard course for first responders.
- 3. "Police animal" means an animal which is owned or used by a state or local governmental agency and which is used by a peace officer in performing his or her duties as a peace officer.
- 4. "Torture" or "cruelty" includes every act, omission or neglect, whereby unjustifiable physical pain, suffering or death is caused or permitted.
  - Sec. 11. NRS 574.055 is hereby amended to read as follows:
- 574.055 Except as otherwise provided in sections 3 to 9, inclusive, of this act:
- 1. Any peace officer or animal control officer shall, upon discovering any animal which is being treated cruelly, take possession of it and provide it with shelter and care or, upon obtaining written permission from the owner of the animal, may destroy it in a humane manner.
- 2. If an officer takes possession of an animal, the officer shall give to the owner, if the owner can be found, a notice containing a written statement of the reasons for the taking, the location where the animal will be cared for and sheltered, and the fact that there is a limited lien on the animal for the cost of shelter and care. If the owner is not present at the taking and the officer cannot find the owner after a reasonable search, the officer shall post the notice on the property from which the officer takes the animal. If the identity and address of the owner are later determined, the notice must be mailed to the owner immediately after the determination is made.
- 3. An officer who takes possession of an animal pursuant to this section has a lien on the animal for the reasonable cost of care and shelter furnished to the animal and, if applicable, for its humane destruction. The lien does not extend to the cost of care and shelter for more than 2 weeks.
- 4. Upon proof that the owner has been notified in accordance with the provisions of subsection 2 or, if the owner has not been found or identified, that the required notice has been posted on the property where the animal was found, a court of competent jurisdiction may, after providing an opportunity for a hearing, order the animal sold at auction, humanely destroyed or continued in the care of the officer for such disposition as the officer sees fit.

- 5. An officer who seizes an animal pursuant to this section is not liable for any action arising out of the taking or humane destruction of the animal.
- 6. The provisions of this section do not apply to any animal which is located on land being employed for an agricultural use as defined in NRS 361A.030 unless the owner of the animal or the person charged with the care of the animal is in violation of paragraph (c) of subsection 1 of NRS 574.100 and the impoundment is accomplished with the concurrence and supervision of the sheriff or the sheriff's designee, a licensed veterinarian and the district brand inspector or the district brand inspector's designee. In such a case, the sheriff shall direct that the impoundment occur not later than 48 hours after the veterinarian determines that a violation of paragraph (c) of subsection 1 of NRS 574.100 exists.
- 7. The owner of an animal impounded in accordance with the provisions of subsection 6 must, before the animal is released to the owner's custody, pay the charges approved by the sheriff as reasonably related to the impoundment, including the charges for the animal's food and water. If the owner is unable or refuses to pay the charges, the State Department of Agriculture shall sell the animal. The Department shall pay to the owner the proceeds of the sale remaining after deducting the charges reasonably related to the impoundment.
- Sec. 12. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senator Cannizzaro.

Amendment No. 447 to Senate Bill No. 342 changes the timeline for a sheltering agency to assume ownership of an impounded animal from 15 days to 10 days; clarifies that the State will produce a Statewide document listing contact information for impounding agencies; clarifies that the notice must be posted in every detention facility; requires a prosecutor to notify an arrestee of his or her right to request a hearing within 2 days regarding the person's ability and fitness to care for and shelter the animal; requires the court to hold such a hearing within 15 judicial days, and provides for a local jurisdiction to implement an expedited process for placing animals in suitable homes with adequate attempts at cooperation with a detained person.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 345.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 468.

SUMMARY—Revises provisions governing estate distilleries. (BDR 52-980)

AN ACT relating to estate distilleries; <u>authorizing brew pubs and certain wineries to transfer certain malt beverages and wine in bulk to an estate distillery;</u> <u>authorizing an estate distillery to receive [certain spirits] malt beverages and wine in bulk for the purpose of [rectification;] distillation and blending;</u> revising when certain spirits that are received [, imported] or

transferred in bulk are subject to taxation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the operation of brew pubs, estate distilleries [.] and wineries. (NRS 597.230, 597.237\_[) Existing law provides that, with respect to the distilled spirits manufactured by an estate distillery, 85 percent of the agricultural raw materials from which such distilled spirits are manufactured were grown on land within this State which is owned or controlled by the owner of the estate distillery. (NRS 597.200)] and 597.240) Existing law requires an estate distillery to ensure that none of the spirits manufactured at the estate distillery are derived from neutral or distilled spirits manufactured by another manufacturer. (NRS 597.237)

[This] Section 2 of this bill removes the requirement that none of the spirits manufactured at an estate distillery be derived from neutral or distilled spirits manufactured by another manufacturer. [This bill authorizes an estate distillery to import neutral or distilled spirits in bulk from a supplier for the purpose of rectification, provided that the person who operates the estate distillery obtains a license as an importer of liquor. This] Section 2 also authorizes an estate distillery to blend and distill wines and malt beverages, provided such wines and malt beverages are acquired from a licensed brew pub or winery in this State meeting certain requirements.

Sections 1.5, 2, 2.3, 2.5 and 2.7 of this bill [also authorizes] authorize an estate distillery to receive [neutral or distilled spirits] from a licensed brew pub or winery in this State meeting certain requirements, in bulk, [from a supplier in this State for the purpose of rectification. This bill requires the person operating an estate distillery which engages in the blending or rectifying of spirits to ensure that any blended or rectified spirits manufactured by the estate distillery were manufactured using agricultural raw materials, 85 percent of which were grown on land within this State which is owned or controlled by the owner of the estate distillery.] wine or malt beverages for the purpose of distillation and blending. Sections 1.5, 2, 2.3, 2.5 and 2.7 provide that wine and malt beverages so received is taxable only when the wine or malt beverages are bottled in original packages for sale within this State and removed from the federally bonded premises of the estate distillery.

Existing law authorizes an estate distillery to transfer in bulk neutral or distilled spirits to a supplier. Existing law provides that any such transfer is taxable only when the neutral or distilled spirits are rectified and bottled in original packages for sale within this State. (NRS 597.237) [This bill] Section 2 provides that neutral or distilled spirits which are so received [or imported for rectification or which are transferred by an estate distillery] are taxable only when they are [rectified and] bottled in original packages for sale within this State and are removed from the federally bonded premises of the [estate distillery or] supplier . [, as applicable.]

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

- Section 1. [NRS 597.210 is hereby amended to read as follows:
- -597.210 1. Except as otherwise provided in subsection 2, a person engaged in business as a supplier or engaged in the business of manufacturing, blending or bottling alcoholic beverages within or without this State shall not:

  (a) Engage in the business of importing, wholesaling or retailing alcoholic beverages; or
- (b) Operate or otherwise locate his or her business on the premises or property of another person engaged in the business of importing, wholesaling or retailing alcoholic beverages.
- 2. This section does not:
- (a) Preclude any person engaged in the business of importing, wholesaling or retailing alcoholic beverages from owning less than 2 percent of the outstanding ownership equity in any organization which manufactures, blends or bottles alcoholic beverages.
- (b) Prohibit a person engaged in the business of rectifying or bottling alcoholic beverages from importing neutral or distilled spirits in bulk only for the express purpose of rectification pursuant to NRS 369,415 [.] or 597,237.
- (c) Prohibit a person from operating a brew pub pursuant to NRS 597.230.
- —(d) Prohibit a person from operating an instructional wine-making facility pursuant to NRS 597.245.
- (e) Prohibit a person from operating a craft distillery pursuant to NRS 597.235
- (f) Prohibit a person from operating an estate distillery pursuant to NRS 597-237.
- (Deleted by amendment.)
  - Sec. 1.5. NRS 597.230 is hereby amended to read as follows:
  - 597.230 1. In any county, a person may operate a brew pub:
- (a) In any redevelopment area established in that county pursuant to chapter 279 of NRS;
- (b) In any historic district established in that county pursuant to NRS 384.005;
  - (c) In any retail liquor store as that term is defined in NRS 369.090; or
- (d) In any other area in the county designated by the board of county commissioners for the operation of brew pubs. In a city which is located in that county, a person may operate a brew pub in any area in the city designated by the governing body of that city for the operation of brew pubs.
- → A person who operates one or more brew pubs may not manufacture more than 40,000 barrels of malt beverages for all the brew pubs he or she operates in this State in any calendar year.
- 2. The premises of any brew pub operated pursuant to this section must be conspicuously identified as a "brew pub."

- 3. Except as otherwise provided in subsection 4, a person who operates one or more brew pubs pursuant to this section may, upon obtaining a license pursuant to chapter 369 of NRS and complying with any other applicable governmental requirements:
- (a) Manufacture and store malt beverages on the premises of one or more of the brew pubs and:
- (1) Sell and transport the malt beverages manufactured on the premises to a person holding a valid wholesale wine and liquor dealer's license or wholesale beer dealer's license issued pursuant to chapter 369 of NRS.
- (2) Donate for charitable or nonprofit purposes and, for the purposes of the donation, transport the malt beverages manufactured on the premises in accordance with the terms and conditions of a special permit for the transportation of the malt beverages obtained from the Department of Taxation pursuant to subsection 4 of NRS 369.450.
- (3) Transfer in bulk the malt beverages manufactured on the premises to a person holding a valid license to operate an estate distillery issued pursuant to chapter 369 of NRS for the purpose of distillation and blending, which transfer is taxable only as provided in NRS 597.237.
- (b) Manufacture and store malt beverages on the premises of one or more of the brew pubs and transport the malt beverages manufactured on the premises to a retailer, other than a person who operates a brew pub pursuant to this section, that holds a valid license pursuant to chapter 369 of NRS for the purpose of selling the malt beverages at a special event in accordance with the terms and conditions of a special permit for the transportation of the malt beverages obtained from the Department of Taxation pursuant to subsection 4 of NRS 369.450. For the purposes of this paragraph, the person who operates one or more brew pubs shall not obtain more than 20 such special permits for the transportation of the malt beverages from the Department of Taxation pursuant to subsection 4 of NRS 369.450 within a calendar year.
- (c) Sell at retail, not for resale, malt beverages manufactured on or off the premises of one or more of the brew pubs for consumption on the premises.
- (d) Sell at retail, not for resale, in packages sealed on the premises of one or more of the brew pubs, malt beverages, including malt beverages in unpasteurized form, manufactured on the premises for consumption off the premises.
- 4. The amount of malt beverages sold pursuant to paragraphs (b), (c) and (d) of subsection 3 must not exceed a total of 5,000 barrels in any calendar year. Of the 5,000 barrels, not more than 1,000 barrels may be sold in kegs.
  - Sec. 2. NRS 597.237 is hereby amended to read as follows:
  - 597.237 1. A person may operate an estate distillery if the person:
  - (a) Obtains a license for the facility pursuant to chapter 369 of NRS;
  - (b) Complies with the requirements of this chapter; and
  - (c) Complies with any other applicable governmental requirements.
  - 2. A person who operates an estate distillery pursuant to this section may:

- (a) In addition to manufacturing spirits from agricultural raw materials through distillation, blend, age, store and bottle the spirits so manufactured. [The If the estate distillery engages in the blending or rectifying of spirits, the person operating the estate distillery shall ensure that none of the any blended or rectified spirits manufactured at the estate distillery are derived from neutral or distilled spirits manufactured by another manufacturer. manufactured from raw materials, 85 percent of which, in aggregate, were grown on land within this State which is owned or controlled by the owner of the estate distillery.]
- (b) <u>Blend and distill wines or malt beverages</u>, provided any such wine or <u>malt beverage was manufactured by:</u>
  - (1) A brew pub licensed pursuant to NRS 597.230;
- (2) A winery that has been issued a wine-maker's license pursuant to NRS 369.200 on or before September 30, 2015; or
- (3) A winery that has been issued a wine-maker's license pursuant to NRS 369.200 on or after October 1, 2015, if 25 percent or more of the wine produced, blended or aged by the winery is produced, blended or aged from fruit grown in this State.
- <u>(c)</u> Except as otherwise provided in paragraphs [(f) and (g),] (g) and (h), in any calendar year, sell and transport in Nevada not more than a combined total of 75,000 cases of spirits at the estate distillery to a person who holds a license to engage in business as a wholesale dealer of liquor pursuant to chapter 369 of NRS.
- $\underline{\text{(e)}}$  (<u>d)</u> In any calendar year, manufacture for exportation to another state, not more than a combined total of 400,000 cases of spirits at all the estate distilleries the person operates.
- [(d)] (e) On the premises of the estate distillery, serve samples of the spirits manufactured at the estate distillery. Any such samples must not exceed, per person, per day, 4 fluid ounces in volume.
- [(e)] (f) On the premises of the estate distillery, sell the spirits manufactured at the estate distillery at retail for consumption on or off the premises. Any such spirits sold at retail for off-premises consumption must not exceed, per person, per month, 1 case of spirits and not exceed, per person, per year, 6 cases of spirits. The total amount of such spirits sold at retail for off-premises consumption must not exceed 7,500 cases per year. Spirits purchased on the premises of an estate distillery must not be resold by the purchaser or any retail liquor store. A person who operates an estate distillery shall prominently display on the premises a notice that the resale of spirits purchased on the premises is prohibited.
- [(f)] (g) Donate for charitable or nonprofit purposes and transport neutral or distilled spirits manufactured at the estate distillery in accordance with the terms and conditions of a special permit for the transportation of the neutral or distilled spirits obtained from the Department of Taxation pursuant to subsection 4 of NRS 369.450.
- $\frac{\{(g)\}}{(h)}$  Transfer in bulk neutral or distilled spirits manufactured at the estate distillery to a supplier. Any such transfer:

- (1) Is taxable only when the neutral or distilled spirits are rectified and bottled in original packages for sale within this State [;] and removed from the federally bonded premises of the supplier; and
- (2) Is not a sale for the purposes of paragraph  $\frac{\{(b)\}}{(c)}$  or manufacturing for exportation for the purposes of paragraph  $\frac{\{(e)\}}{(d)}$ .
- <u>(i)</u> Subject to the provisions of subsection 3, receive <del>[or import neutral or distilled spirits]</del> wine or malt beverages in bulk from a <del>[supplier] person described in subparagraph (1), (2) or (3) of paragraph (b) for the <del>[sole] purpose of freetification. Neutral or distilled spirits]</del> distillation and blending. Wine and malt beverages so received <del>[or imported]</del> are taxable only when the <del>fneutral or distilled spirits]</del> wine and malt beverages are:</del>
- (1) [Rectified and bottled] Distilled, blended or both, and bottled in original packages for sale within this State; and
  - (2) Removed from the federally bonded premises of the estate distillery.
- 3. [Notwithstanding any other provision of law, a] A person who operates an estate distillery shall not [import liquors into this State:] receive a shipment of wine or malt beverages:
- (a) Unless the person first <del>[secures an importer's license pursuant to NRS 369.180;]</del> notifies the Department of Taxation that the distillery will receive such a shipment; and
  - (b) Except as authorized by paragraph  $\frac{f(h)}{f(h)}$  (i) of subsection 2.
- 4. [Rectified spirits] Spirits manufactured by an estate distillery pursuant to this section [shall] may be sold in this State only after bottling in original packages.
  - Sec. 2.3. NRS 597.237 is hereby amended to read as follows:
  - 597.237 1. A person may operate an estate distillery if the person:
  - (a) Obtains a license for the facility pursuant to chapter 369 of NRS;
  - (b) Complies with the requirements of this chapter; and
  - (c) Complies with any other applicable governmental requirements.
  - 2. A person who operates an estate distillery pursuant to this section may:
- (a) In addition to manufacturing spirits from agricultural raw materials through distillation, blend, age, store and bottle the spirits so manufactured. [The person operating the estate distillery shall ensure that none of the spirits manufactured at the estate distillery are derived from neutral or distilled spirits manufactured by another manufacturer.]
- (b) <u>Blend and distill wines or malt beverages</u>, provided any such wine or <u>malt beverage was manufactured by:</u>
  - (1) A brew pub licensed pursuant to NRS 597.230;
- (2) A winery that has been issued a wine-maker's license pursuant to NRS 369.200 if 25 percent or more of the wine produced, blended or aged by the winery is produced, blended or aged from fruit grown in this State.
- <u>(c)</u> Except as otherwise provided in paragraphs  $\frac{\{(f) \text{ and } (g), \}}{\{(g) \text{ and } (h), \}}$  in any calendar year, sell and transport in Nevada not more than a combined total of 75,000 cases of spirits at the estate distillery to a person who holds a license

to engage in business as a wholesale dealer of liquor pursuant to chapter 369 of NRS.

- (e) In any calendar year, manufacture for exportation to another state, not more than a combined total of 400,000 cases of spirits at all the estate distilleries the person operates.
- $\frac{\{(d)\}}{(e)}$  On the premises of the estate distillery, serve samples of the spirits manufactured at the estate distillery. Any such samples must not exceed, per person, per day, 4 fluid ounces in volume.
- <del>[(e)]</del> (f) On the premises of the estate distillery, sell the spirits manufactured at the estate distillery at retail for consumption on or off the premises. Any such spirits sold at retail for off-premises consumption must not exceed, per person, per month, 1 case of spirits and not exceed, per person, per year, 6 cases of spirits. The total amount of such spirits sold at retail for off-premises consumption must not exceed 7,500 cases per year. Spirits purchased on the premises of an estate distillery must not be resold by the purchaser or any retail liquor store. A person who operates an estate distillery shall prominently display on the premises a notice that the resale of spirits purchased on the premises is prohibited.
- [(f)] (g) Donate for charitable or nonprofit purposes and transport neutral or distilled spirits manufactured at the estate distillery in accordance with the terms and conditions of a special permit for the transportation of the neutral or distilled spirits obtained from the Department of Taxation pursuant to subsection 4 of NRS 369.450.
- $\frac{\{(g)\}}{(h)}$  Transfer in bulk neutral or distilled spirits manufactured at the estate distillery to a supplier. Any such transfer:
- (1) Is taxable only when the neutral or distilled spirits are rectified and bottled in original packages for sale within this State [+] and removed from the federally bonded premises of the supplier; and
- (2) Is not a sale for the purposes of paragraph  $\frac{(b)}{(c)}$  or manufacturing for exportation for the purposes of paragraph  $\frac{(c)}{(d)}$ .
- (i) Subject to the provisions of subsection 3, receive wine or malt beverages in bulk from a person described in subparagraph (1) or (2) of paragraph (b) for the purpose of distillation and blending. Wine and malt beverages so received are taxable only when the wine and malt beverages are:
- (1) Distilled, blended or both, and bottled in original packages for sale within this State; and
  - (2) Removed from the federally bonded premises of the estate distillery.
- 3. A person who operates an estate distillery shall not receive a shipment of wine or malt beverages:
- (a) Unless the person first notifies the Department of Taxation that the distillery will receive such a shipment; and
- (b) Except as authorized by paragraph (i) of subsection 2.
- 4. Spirits manufactured by an estate distillery pursuant to this section may be sold in this State only after bottling in original packages.
  - Sec. 2.5. NRS 597.240 is hereby amended to read as follows:

- 597.240 1. A winery that is federally bonded and permitted by the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury, including, without limitation, an alternating proprietorship of not more than four such wineries, and that has been issued a wine-maker's license pursuant to NRS 369.200 may:
  - (a) Produce, bottle, blend and age wine.
- (b) Import wine or juice from a winery that is located in another state and that is federally bonded and permitted by the Alcohol and Tobacco Tax and Trade Bureau, to be fermented into wine or, if already fermented, to be mixed with other wine or aged in a suitable cellar, or both.
- 2. A winery that has been issued a wine-maker's license pursuant to NRS 369.200 on or before September 30, 2015, may:
- (a) Sell at retail or serve by the glass, on its premises and at one other location, wine produced, blended or aged by the winery. The amount of wine sold at a location other than on the premises of the winery may not exceed 50 percent of the total volume of the wine sold by the winery.
  - (b) Serve by the glass, on its premises, any alcoholic beverage.
- (c) Transfer in bulk wine produced, blended or aged by the winery to a person holding a valid license to operate an estate distillery issued pursuant to chapter 369 of NRS for the purpose of distillation and blending, which transfer is taxable only as provided in NRS 597.237.
- 3. A winery that is issued a wine-maker's license pursuant to NRS 369.200 on or after October 1, 2015:
- (a) If 25 percent or more of the wine produced, blended or aged by the winery is produced, blended or aged from fruit grown in this State, may [sell:]:
- <u>(1) Sell</u> at retail or serve by the glass, on its premises, wine produced, blended or aged by the winery.
- (2) Transfer in bulk wine produced, blended or aged by the winery to a person holding a valid license to operate an estate distillery issued pursuant to chapter 369 of NRS for the purpose of distillation and blending, which transfer is taxable only as provided in NRS 597.237.
- (b) If less than 25 percent of the wine produced, blended or aged by the winery is produced, blended or aged from fruit grown in this State, may sell at retail or serve by the glass, on its premises, not more than 1,000 cases of wine produced, blended or aged by the winery per calendar year.
  - 4. The owner or operator of a winery shall not:
- (a) Except as otherwise provided in paragraph (b) of subsection 2, sell alcoholic beverages on the premises of the winery other than wine produced, blended or aged by the winery.
- (b) Produce, blend or age wine at any location other than on the premises of the winery.
- 5. The State Board of Agriculture may adopt regulations for the purposes of ensuring that a winery is in compliance with any requirements established

by the Federal Government for labeling bottles of wine produced, blended or aged by the winery.

- 6. For the purposes of this section, an instructional wine-making facility is not a winery.
  - Sec. 2.7. NRS 597.240 is hereby amended to read as follows:
- 597.240 1. A winery that is federally bonded and permitted by the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury, including, without limitation, an alternating proprietorship of not more than four such wineries, and that has been issued a wine-maker's license pursuant to NRS 369.200 may:
  - (a) Produce, bottle, blend and age wine.
- (b) Import wine or juice from a winery that is located in another state and that is federally bonded and permitted by the Alcohol and Tobacco Tax and Trade Bureau, to be fermented into wine or, if already fermented, to be mixed with other wine or aged in a suitable cellar, or both.
- 2. A winery that has been issued a wine-maker's license pursuant to NRS 369.200 on or before September 30, 2015, may:
- (a) Within the limits prescribed by subsection 3, sell at retail or serve by the glass, on its premises and at one other location, wine produced, blended or aged by the winery. The amount of wine sold at a location other than on the premises of the winery may not exceed 50 percent of the total volume of the wine sold by the winery.
  - (b) Serve by the glass, on its premises, any alcoholic beverage.
- 3. A winery that is issued a wine-maker's license pursuant to NRS 369.200:
- (a) If 25 percent or more of the wine produced, blended or aged by the winery is produced, blended or aged from fruit grown in this State, may  $\frac{\text{sell:}}{\text{sell:}}$ :
- (1) <u>Sell</u> at retail or serve by the glass, on its premises and, if applicable, at one other location, wine produced, blended or aged by the winery.
- (2) Transfer in bulk wine produced, blended or aged by the winery to a person holding a valid license to operate an estate distillery issued pursuant to chapter 369 of NRS for the purpose of distillation and blending, which transfer is taxable only as provided in NRS 597.237.
- (b) If less than 25 percent of the wine produced, blended or aged by the winery is produced, blended or aged from fruit grown in this State, may sell at retail or serve by the glass, on its premises and, if applicable, at one other location, not more than 1,000 cases of wine produced, blended or aged by the winery per calendar year.
  - 4. The owner or operator of a winery shall not:
- (a) Except as otherwise provided in paragraph (b) of subsection 2, sell alcoholic beverages on the premises of the winery other than wine produced, blended or aged by the winery.
- (b) Produce, blend or age wine at any location other than on the premises of the winery.

- 5. The State Board of Agriculture may adopt regulations for the purposes of ensuring that a winery is in compliance with any requirements established by the Federal Government for labeling bottles of wine produced, blended or aged by the winery.
- 6. For the purposes of this section, an instructional wine-making facility is not a winery.
- Sec. 3. 1. This <u>section and sections 1.5, 2 and 2.5 of this act <del>[becomes]</del> become effective on July 1, 2019.</u>
  - 2. Sections 2.3 and 2.7 of this act become effective on October 1, 2025.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 468 to Senate Bill No. 345 deletes section 1 and other provisions of the bill related to authorizing an estate distillery to import neutral or distilled spirits in bulk for the purpose of rectification. Instead, the amendment provides that an estate distillery is authorized to blend and distill wines or malt beverages if the estate distillery first notifies the Department of Taxation that it will receive such a shipment and provided that any such wine or malt beverage was manufactured by a brewpub licensed pursuant to Nevada Revised Statutes (NRS) 597.230, a winery that has been issued a wine-maker's license pursuant to NRS 369.200 on or before September 30, 2015, or a winery that has been issued a wine-maker's license pursuant to NRS 369.200 on or after October 1, 2015, if 25 percent or more of the wine produced, blended or aged by the winery is produced, blended or aged from fruit grown in this State.

The amendment provides that a brewpub and these specified wineries are authorized to make bulk transfers of malt beverages and wine manufactured on the premises to an estate distillery for the purposes of distillation and blending. Finally, the amendment provides that such transfers are only taxable when the wine or malt beverages are bottled in original packages for sale within this State and removed from the federally-bonded premises of the estate distillery.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 368.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 446.

SUMMARY—Revises provisions relating to protections for victims of crime. (BDR 2-166)

AN ACT relating to victims of crime; eliminating the statute of limitations in civil actions to recover damages for certain sexual offenses; establishing a rebuttable presumption in civil actions concerning unwelcome or nonconsensual sexual conduct by a person in a position of authority over an alleged victim; revising provisions relating to confidential communications between a victim's advocate and certain victims; authorizing a child adjudicated delinquent for certain unlawful acts who was a victim of sex trafficking or involuntary servitude to petition the juvenile court to vacate the adjudication and seal all records relating thereto; eliminating the statute of limitations for sexual assault and various other sexual offenses; authorizing the imposition of an additional penalty against a person in a position of authority over another person who commits a sexual offense against the other person; establishing the Sexual Assault Victims' DNA Bill of Rights; increasing the

time within which an extended order of protection against a person who allegedly committed a sexual assault may remain effective; increasing the term of imprisonment and authorized fine imposed upon a person who possesses a visual presentation depicting sexual conduct of a person under 16 years of age; exempting persons under 25 years of age from arrest or punishment for unlawfull revising provisions relating to the crime of prostitution or solicitation of prostitution; revising provisions relating to sexual conduct between a law enforcement officer and a person in his or her custody; requiring the Department of Health and Human Services to develop a State Plan for Services for Victims of Crime; [transferring the administration of the process governing the application and determination of eligibility for compensation from the Fund for the Compensation of Victims of Crime from the Department of Administration to the Department of Health and Human Services: authorizing the Director of the Department of Health and Human Services to adopt certain rules and regulations; revising provisions relating to investigations by an administrator of a public school into a report of bullying or cyber-bullying; revising provisions relating to facilities that offer services to persons with an intellectual disability or developmental disability; revising provisions relating to the testing of a person alleged to have committed a sexual offense: requiring the Advisory Commission on the Administration of Justice to study state laws relating to the crime of prostitution or the solicitation of prostitution; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that certain communications between a victim's advocate and a person who alleges that an act of domestic violence, human trafficking or sexual assault has been committed against the person is deemed to be confidential. Any such person who seeks advice, counseling or assistance from a victim's advocate generally has a privilege to refuse to disclose and to prevent any other person from disclosing such confidential communications. (NRS 49.2546, 49.2547) Section 3 of this bill specifies that such confidential communications are not subject to discovery proceedings.

Existing law: (1) authorizes a person convicted of certain offenses who was the victim of sex trafficking or involuntary servitude to petition the court to vacate the judgment and seal all documents relating to the case; and (2) provides that if the court enters such an order, the court is also required to order sealed the records of the petitioner which relate to the judgment being vacated. (NRS 179.247) Section 4 of this bill: (1) authorizes a child adjudicated delinquent for certain unlawful acts who was the victim of sex trafficking or involuntary servitude to petition the juvenile court to vacate the adjudication and seal all records relating to the adjudication; and (2) provides that if the juvenile court enters such an order, the juvenile court is also required to order sealed the records of the child which relate to the adjudication being vacated.

Existing law establishes the statutes of limitations for felonies and generally provides that an indictment must be found, or an information or complaint

filed: (1) for certain specified felonies, including sex trafficking, within 4 years after the commission of the offense; (2) for sexual assault, within 20 years after the commission of the offense; and (3) for any other felony, within 3 years after the commission of the offense. (NRS 171.085) Section 6 of this bill eliminates the statute of limitations for sexual assault and various other sexual offenses that are, depending on the circumstances, punishable as a felony, gross misdemeanor or misdemeanor, and provides that a prosecution for any such offense may be commenced at any time after the violation is committed. Sections 7-10 of this bill make conforming changes.

Existing law provides that a civil action to recover damages for an injury to a person arising from the sexual abuse of the plaintiff which occurred when the plaintiff was less than 18 years of age generally must be commenced within 20 years after the plaintiff: (1) reaches 18 years of age; or (2) discovers or reasonably should have discovered that his or her injury was caused by the sexual abuse, whichever occurs later. (NRS 11.215) Section 1 of this bill provides that there is no limitation of time within which a civil action to recover damages for such an injury or for the sexual assault of the plaintiff must be commenced and that any such action may be commenced at any time after the offense is committed.

Existing law establishes the imposition of a penalty for the commission of certain specified crimes that is in addition to the usual penalty imposed for the offense. (NRS 193.161-193.169) Section 11 of this bill authorizes the imposition of an additional penalty against any person in a position of authority over another person who commits a sexual offense against the other person. Section 11 provides that, in addition to the term of imprisonment prescribed for the crime, if the crime committed is: (1) a misdemeanor or gross misdemeanor, the person must be punished by imprisonment in the county jail for a term equal to the term of imprisonment prescribed for the crime; or (2) a felony, the person must be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years. Section 11 also establishes the information that a court is required to consider in determining the length of the additional penalty imposed.

Section 2 of this bill establishes a rebuttable presumption in any civil action concerning any unwelcome or nonconsensual sexual conduct, including sexual harassment, that the sexual conduct was unwelcome or nonconsensual if the alleged perpetrator was a person in a position of authority over the alleged victim.

Existing law: (1) generally requires a law enforcement agency, within 30 days after receiving a sexual assault forensic evidence kit (hereinafter "SAFE kit") to submit the SAFE kit to the applicable forensic laboratory responsible for conducting a genetic marker analysis; and (2) requires the forensic laboratory to test a SAFE kit not later than 120 days after receiving it. (NRS 200.3786) Sections 14 and 15 of this bill establish the Sexual Assault Victims' DNA Bill of Rights. Section 15 requires a law enforcement agency, upon the request of a victim of sexual assault, to inform the victim of the status

of the DNA testing of a SAFE kit [or other crime scene evidence] from the victim's case. Section 15 also requires a law enforcement agency responsible for providing information to a victim to do so in a timely manner and, upon request, advise the victim of any significant changes in the information of which the law enforcement agency is aware. Section 15 further establishes certain rights of a victim of sexual assault.

Existing law authorizes any person who reasonably believes that the crime of sexual assault has been committed against him or her by another person to petition a court for a temporary or extended order to restrict the conduct of the person who allegedly committed the sexual assault. (NRS 200.378) Existing law provides that any such extended order expires within a time fixed by the court not to exceed 1 year. (NRS 200.3782) Section 17 of this bill increases the time within which such an extended order can expire to 5 years.

Existing law provides that a person who knowingly and willfully has in his or her possession any visual presentation depicting sexual conduct of a person under 16 years of age is guilty: (1) for the first offense, of a category B felony and must be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000; and (2) for any subsequent offense, of a category A felony and must be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of life with the possibility of parole, and may be further punished by a fine of not more than \$5,000. (NRS 200.730) Section 18 of this bill: (1) increases the minimum term of imprisonment for a first or subsequent offense to 5 years; (2) increases the maximum term of imprisonment for a first offense to 20 years; and (3) increases the fine that may be imposed for a first or subsequent offense to \$250,000.

Existing law prohibits any person from engaging in prostitution or the solicitation therefor except in a licensed house of prostitution and provides that a prostitute who violates such a prohibition is guilty of a misdemeanor. (NRS 201.354) Section 19 of this bill provides that if a prostitute [who is 25 years of age or older who violates such a provision is guilty of a misdemeanor, but a prostitute who is less than 25 years of age is deemed to be a victim and must not be arrested or subject to any punishment, but rather must be connected with any appropriate available services for victims of sexual offenses.]: (1) is detained, arrested or cited for engaging in prostitution or the solicitation of prostitution, a peace officer must provide to the prostitute certain information and opportunities for connecting with social service agencies that may provide assistance to the prostitute; and (2) is determined by the prosecuting attorney to be a victim of sex trafficking, the charge must be dismissed.

Existing law prohibits a person from voluntarily engaging in sexual conduct with a prisoner who is in lawful custody or confinement and provides that any person who violates such a prohibition is guilty of a category D felony. (NRS 212.187) Existing law defines the term "prisoner" for the purposes of

such a prohibition as including any person held in custody under process of law or under lawful arrest. (NRS 208.085) Section 20 of this bill: (1) clarifies that such a prohibition applies to a law enforcement officer who voluntarily engages in sexual conduct with a person who is in his or her custody; and (2) provides that if a law enforcement officer violates such a prohibition by voluntarily engaging in sexual conduct with a person who is in his or her custody, it is not a defense that the person in his or her custody consented to the sexual conduct.

Existing law establishes provisions governing the payment of compensation from the Fund for the Compensation of Victims of Crime to certain victims of criminal acts and provides that the process governing the application and determination of eligibility for compensation is administered by the Department of Administration. (NRS 217.010-217.270) Section 22 of this bill transfers the administration of such a process to the Department of Health and Human Services. Existing law requires a compensation officer to review an application for compensation and, if the compensation officer denies the claim, authorizes the applicant to follow an appeals process that includes appealing the decision of an appeals officer to the State Board of Examiners, whose decision on the matter is final. (NRS 217.010, 217.117) Section 24 of this bill authorizes the Director of the Department of Health and Human Services to adopt rules and regulations: (1) establishing the eligibility requirements for receiving compensation from the Fund; and (2) providing for administrative hearings to address appeals of the decisions of appeals officers. Section 23 of this bill accordingly removes the provisions relating to the appeal of a decision of an appeals officer to the State Board of Examiners and authorizes an applicant to appeal such a decision in accordance with the regulations adopted by the Director.

Section 21 of this bill requires the Department of Health and Human Services to: (1) develop a State Plan for Services for Victims of Crime for the purpose of ensuring that agencies which provide compensation to and services for victims of crime are coordinated in their efforts and use the same data; and (2) consult with each division of the Department and all other agencies which administer funds designated for victims of crime in the development thereof.]

Existing law requires any teacher, administrator, coach or other staff member of a public school who witnesses any bullying or cyber-bullying on the premises of any school, at an activity sponsored by a school or on any school bus to report the violation to the administrator in charge of the school or his or her designee on the same day that the violation is witnessed. The administrator or designee is required to immediately begin an investigation into the report, which must be completed not later than 2 school days after the administrator or designee received the report. (NRS 388.1351) Section 25 of this bill provides that such provisions must not be construed to place any limit on the time within which an investigation concerning any alleged act that constitutes sexual assault must be completed.

Existing law establishes provisions concerning persons with intellectual disabilities and persons with developmental disabilities, including provisions relating to facilities that offer services to such persons. (Chapter 435 of NRS) Section 26 of this bill requires the Aging and Disability Services Division of the Department of Health and Human Services to ensure that each facility to which a person with an intellectual disability or a person with a developmental disability is able to be admitted provides: (1) training to each employee of the facility regarding the protocol that must be followed if the employee becomes aware of any sexual abuse of a person that is admitted to the facility; and (2) appropriate education to each person that is admitted to the facility that explains what sexual abuse is and how to report it.

Existing law requires: (1) the district health officer in a district or the Chief Medical Officer, or the designee thereof, to test a specimen obtained from an arrested person alleged to have committed a sexual offense for exposure to the human immunodeficiency virus and any commonly contracted sexually transmitted disease; and (2) the agency that has custody of the arrested person to obtain the specimen and submit it for testing. The tests must be performed as soon as practicable after the arrest of the person alleged to have committed the crime, but not later than 48 hours after the person is charged with the crime by indictment or information, unless the person alleged to have committed the crime is a child who will be adjudicated in juvenile court and not later than 48 hours after the petition is filed with the juvenile court alleging that the child is delinquent for committing such an act. (NRS 441A.320) Section 27 of this bill <del>[provides that unless the arrested person is afflicted with hemophilia or</del> with a heart condition requiring the use of an anticoagulant as determined by a physician, the person may not refuse to submit to any blood test administered for the purpose of obtaining a specimen for testing.]: (1) revises the maximum time allowed to perform the tests from 48 hours to 96 hours after the person alleged to have committed a crime is arrested or, if the person is a child, a petition alleging the commission of a delinquent act is filed; and (2) provides that in all cases, the tests must be performed before the arrested person is released from custody.

Existing law establishes the Advisory Commission on the Administration of Justice and directs the Commission, among other duties, to identify and study the elements of this State's system of criminal justice. (NRS 176.0123, 176.0125) Section 27.3 of this bill requires the Commission to study state laws relating to the crime of prostitution or the solicitation of prostitution and to submit a report of the results of its study and any recommendations for legislation to the 81st session of the Nevada Legislature.

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

Section 1. NRS 11.215 is hereby amended to read as follows:

11.215 1. [Except as otherwise provided in subsection 2 and NRS 217.007,] There is no limitation of time within which an action to recover damages for an injury to a person arising from the sexual abuse of the plaintiff

which occurred when the plaintiff was less than 18 years of age [must be commenced within 20 years after] or the sexual assault of the plaintiff [:

- (a) Reaches 18 years of age; or
- (b) Discovers or reasonably should have discovered that his or her injury was caused by the sexual abuse,
- whichever occurs later.] must be commenced. Such an action may be commenced at any time after the offense is committed.
- 2. An action to recover damages pursuant to NRS 41.1396 must be commenced within 20 years after the occurrence of the following, whichever is later:
  - (a) The court enters a verdict in a related criminal case; or
  - (b) The victim reaches the age of 18 years.
  - 3. As used in this section [, "sexual]:
  - (a) "Sexual abuse" has the meaning ascribed to it in NRS 432B.100.
  - (b) "Sexual assault" means a violation of NRS 200.366.
- Sec. 2. Chapter 41 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In any civil action concerning any unwelcome or nonconsensual sexual conduct, including, without limitation, sexual harassment, there is a rebuttable presumption that the sexual conduct was unwelcome or nonconsensual if the alleged perpetrator was a person in a position of authority over the alleged victim.
  - 2. As used in this section:
- (a) "Person in a position of authority" has the meaning ascribed to it in section 11 of this act.
  - (b) "Sexual harassment" has the meaning ascribed to it in NRS 176A.280.
  - Sec. 3. NRS 49.2547 is hereby amended to read as follows:
- 49.2547 Except as otherwise provided in NRS 49.2549, a victim who seeks advice, counseling or assistance from a victim's advocate has a privilege to refuse to disclose, and to prevent any other person from disclosing, confidential communications set forth in NRS 49.2546. Any such confidential communications are not subject to discovery proceedings.
- Sec. 4. Chapter 62E of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. If a child has been adjudicated delinquent for an unlawful act listed in subsection 2, the child may petition the juvenile court for an order:
  - (a) Vacating the adjudication; and
  - (b) Sealing all records relating to the adjudication.
- 2. A child may file a petition pursuant to subsection 1 if the child was adjudicated delinquent for an unlawful act in violation of:
- (a) NRS 201.354, for engaging in prostitution or solicitation for prostitution, provided that the child was not alleged to be a customer of a prostitute:
  - (b) NRS 207.200, for unlawful trespass;
  - (c) Paragraph (b) of subsection 1 of NRS 463.350, for loitering; or

- (d) A county, city or town ordinance, for loitering for the purpose of solicitation or prostitution.
- 3. The juvenile court may grant a petition filed pursuant to subsection 1 if:
- (a) The petitioner was adjudicated delinquent for an unlawful act described in subsection 2:
- (b) The participation of the petitioner in the unlawful act was the result of the petitioner having been a victim of:
- (1) Trafficking in persons as described in the Trafficking Victims Protection Act of 2000, 22 U.S.C. §§ 7101 et seq.; or
  - (2) Involuntary servitude as described in NRS 200.463 or 200.4631; and
- (c) The petitioner files a petition pursuant to subsection 1 with due diligence after the petitioner has ceased being a victim of trafficking or involuntary servitude or has sought services for victims of such trafficking or involuntary servitude.
- 4. Before the court decides whether to grant a petition filed pursuant to subsection 1, the court shall:
- (a) Notify the district attorney and the chief probation officer or the Chief of the Youth Parole Bureau and allow any person who has evidence that is relevant to consideration of the petition to testify at the hearing on the petition; and
- (b) Take into consideration any reasonable concerns for the safety of the petitioner, family members of the petitioner or other victims that may be jeopardized by the granting of the petition.
- 5. If the court grants a petition filed pursuant to subsection 1, the court shall:
  - (a) Vacate the adjudication and dismiss the accusatory pleading; and
  - (b) Order sealed all records relating to the adjudication.
- 6. If a petition filed pursuant to subsection 1 does not satisfy the requirements of NRS 62H.130 or the juvenile court determines that the petition is otherwise deficient with respect to the sealing of the petitioner's record, the juvenile court may enter an order to vacate the adjudication and dismiss the accusatory pleading if the petitioner satisfies all requirements necessary for the adjudication to be vacated.
- 7. If the juvenile court enters an order pursuant to subsection 6, the court shall also order sealed all records of the petitioner which relate to the adjudication being vacated in accordance with paragraph (b) of subsection 5, regardless of whether any records relating to other adjudications are ineligible for sealing either by operation of law or because of a deficiency in the petition.
  - Sec. 5. NRS 62H.130 is hereby amended to read as follows:
- 62H.130 1. If a child is less than 21 years of age, the child or a probation or parole officer on behalf of the child may petition the juvenile court for an order sealing all records relating to the child. [The] Except as otherwise provided in section 4 of this act, the petition may be filed:

- (a) Not earlier than 3 years after the child was last adjudicated in need of supervision, adjudicated delinquent or placed under the supervision of the juvenile court pursuant to NRS 62C.230; and
- (b) If, at the time the petition is filed, the child does not have any delinquent or criminal charges pending.
- 2. If a petition is filed pursuant to this section, the juvenile court shall notify the district attorney and, if a probation or parole officer is not the petitioner, the chief probation officer or the Chief of the Youth Parole Bureau.
- 3. The district attorney and the chief probation officer or any of their deputies, the Chief of the Youth Parole Bureau or his or her designee, or any other person who has evidence that is relevant to consideration of the petition may testify at the hearing on the petition.
- 4. Except as otherwise provided in subsection 6, after the hearing on the petition, if the juvenile court finds that during the applicable 3-year period, the child has not been convicted of a felony or of any misdemeanor involving moral turpitude and the child has been rehabilitated to the satisfaction of the juvenile court, the juvenile court:
- (a) May enter an order sealing all records relating to the child if the child is less than 18 years of age; and
- (b) Shall enter an order sealing all records relating to the child if the child is 18 years of age or older.
- 5. In determining whether a child has been rehabilitated to the satisfaction of the juvenile court pursuant to subsection 4, the juvenile court may consider:
  - (a) The age of the child;
- (b) The nature of the offense and the role of the child in the commission of the offense:
- (c) The behavior of the child after the child was last adjudicated in need of supervision or adjudicated delinquent, placed under the informal supervision of a probation officer pursuant to NRS 62C.200 or placed under the supervision of the juvenile court pursuant to NRS 62C.230;
  - (d) The response of the child to any treatment or rehabilitation program;
  - (e) The education and employment history of the child;
  - (f) The statement of the victim;
  - (g) The nature of any criminal offense for which the child was convicted;
- (h) Whether the sealing of the record would be in the best interest of the child and the State; and
  - (i) Any other circumstance that may relate to the rehabilitation of the child.
- 6. If the juvenile court retains jurisdiction over a civil judgment and a person against whom the civil judgment was entered pursuant to NRS 62B.420, the case caption, case number and order entering the civil judgment must not be sealed until the civil judgment is satisfied or expires. After the civil judgment is satisfied or expires, the child or a person named as a judgment debtor may file a petition to seal such information.
  - Sec. 6. NRS 171.080 is hereby amended to read as follows:
  - 171.080 There is no limitation of the time within which a prosecution for:

- 1. Murder must be commenced. It may be commenced at any time after the death of the person killed.
- 2. A violation of NRS 200.366, 200.368, 200.710, 200.720, 200.725, 200.727, 200.730, 201.180, 201.230, 201.540, 201.550, 201.555, 201.560 or 202.445 must be commenced. It may be commenced at any time after the violation is committed.
  - Sec. 7. NRS 171.083 is hereby amended to read as follows:
- 171.083 1. If, at any time during the period of limitation prescribed in NRS 171.085 and 171.095, [a victim of a sexual assault, a person authorized to act on behalf of a victim of a sexual assault, or] a victim of sex trafficking or a person authorized to act on behalf of a victim of sex trafficking [,] files with a law enforcement officer a written report concerning the [sexual assault or] sex trafficking, the period of limitation prescribed in NRS 171.085 and 171.095 is removed and there is no limitation of the time within which a prosecution for the [sexual assault or] sex trafficking must be commenced.
- 2. If a written report is filed with a law enforcement officer pursuant to subsection 1, the law enforcement officer shall provide a copy of the written report to the victim or the person authorized to act on behalf of the victim.
- 3. If a victim of [a sexual assault or] sex trafficking is under a disability during any part of the period of limitation prescribed in NRS 171.085 and 171.095 and a written report concerning the [sexual assault or] sex trafficking is not otherwise filed pursuant to subsection 1, the period during which the victim is under the disability must be excluded from any calculation of the period of limitation prescribed in NRS 171.085 and 171.095.
- 4. For the purposes of this section, a victim of [a sexual assault or] sex trafficking is under a disability if the victim is insane, intellectually disabled, mentally incompetent or in a medically comatose or vegetative state.
  - 5. As used in this section, "law enforcement officer" means:
  - (a) A prosecuting attorney;
  - (b) A sheriff of a county or the sheriff's deputy;
- (c) An officer of a metropolitan police department or a police department of an incorporated city; or
- (d) Any other person upon whom some or all of the powers of a peace officer are conferred pursuant to NRS 289.150 to 289.360, inclusive.
  - Sec. 8. NRS 171.085 is hereby amended to read as follows:
- 171.085 Except as otherwise provided in NRS 171.080, 171.083, 171.084 and 171.095, an indictment for:
- 1. Theft, robbery, burglary, forgery, arson, sex trafficking, a violation of NRS 90.570, a violation punishable pursuant to paragraph (c) of subsection 3 of NRS 598.0999 or a violation of NRS 205.377 must be found, or an information or complaint filed, within 4 years after the commission of the offense.
- 2. [Sexual assault must be found, or an information or complaint filed, within 20 years after the commission of the offense.

- —3.] Any felony other than the felonies listed in [subsections] subsection 1 [and 2] must be found, or an information or complaint filed, within 3 years after the commission of the offense.
  - Sec. 9. NRS 171.090 is hereby amended to read as follows:
- 171.090 Except as otherwise provided in NRS *171.080*, 171.095, 202.885 and 624.800, an indictment for:
- 1. A gross misdemeanor must be found, or an information or complaint filed, within 2 years after the commission of the offense.
- 2. Any other misdemeanor must be found, or an information or complaint filed, within 1 year after the commission of the offense.
  - Sec. 10. NRS 171.095 is hereby amended to read as follows:
- 171.095 1. Except as otherwise provided in subsection 2 and NRS *171.080*, 171.083 and 171.084:
- (a) If a felony, gross misdemeanor or misdemeanor is committed in a secret manner, an indictment for the offense must be found, or an information or complaint filed, within the periods of limitation prescribed in NRS 171.085, 171.090 and 624.800 after the discovery of the offense, unless a longer period is allowed by paragraph (b) or (c) or the provisions of NRS 202.885.
- (b) An indictment must be found, or an information or complaint filed, for any offense constituting [sexual abuse of a child as defined in NRS 432B.100 or] sex trafficking of a child as defined in NRS 201.300 [,] before the victim is:
- (1) Thirty-six years old if the victim discovers or reasonably should have discovered that he or she was a victim of the [sexual abuse or] sex trafficking by the date on which the victim reaches that age; or
- (2) Forty-three years old if the victim does not discover and reasonably should not have discovered that he or she was a victim of the [sexual abuse or] sex trafficking by the date on which the victim reaches 36 years of age.
- (c) If a felony is committed pursuant to NRS 205.461 to 205.4657, inclusive, against a victim who is less than 18 years of age at the time of the commission of the offense, an indictment for the offense must be found, or an information or complaint filed, within 4 years after the victim discovers or reasonably should have discovered the offense.
- 2. If any indictment found, or an information or complaint filed, within the time prescribed in subsection 1 is defective so that no judgment can be given thereon, another prosecution may be instituted for the same offense within 6 months after the first is abandoned.
- Sec. 11. Chapter 193 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in NRS 193.169, any person in a position of authority over another person who commits a sexual offense against the other person shall, in addition to the term of imprisonment prescribed by statute for the crime, be punished, if the crime is a misdemeanor or gross misdemeanor, by imprisonment in the county jail for a term equal to the term of imprisonment prescribed by statute for the crime, and, if the crime is a

felony, by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years.

- 2. In determining the length of the additional penalty imposed pursuant to this section, the court shall consider the following information:
  - (a) The facts and circumstances of the crime or criminal violation;
  - (b) The criminal history of the person;
  - (c) The impact of the crime or criminal violation on any victim;
  - (d) Any mitigating factors presented by the person; and
  - (e) Any other relevant information.
- → The court shall state on the record that it has considered the information described in paragraphs (a) to (e), inclusive, in determining the length of the additional penalty imposed.
  - *3. The sentence prescribed by this section:*
- (a) Must not exceed the sentence imposed for the crime or criminal violation; and
- (b) Must run consecutively with the sentence prescribed by statute for the crime or criminal violation.
- 4. This section does not create any separate offense but provides an additional penalty for the primary offense, whose imposition is contingent upon the finding of the prescribed fact.
  - 5. As used in this section:
- (a) "Person in a position of authority" means a parent, relative, household member, employer, supervisor, youth leader, scout leader, coach, mentor in a mentoring program, teacher, professor, counselor, school administrator, religious leader, doctor, nurse, psychologist, other health care provider, guardian ad litem, guardian, babysitter, police officer or other law enforcement officer or any other person who, by reason of his or her position, is able to exercise significant or undue influence over the victim.
  - (b) "Sexual offense" has the meaning ascribed to it in NRS 179D.097.
  - Sec. 12. NRS 193.169 is hereby amended to read as follows:
- 193.169 1. A person who is sentenced to an additional term of imprisonment pursuant to the provisions of subsection 1 of NRS 193.161, NRS 193.162, 193.163, 193.165, 193.166, 193.167, 193.1675, 193.1678, subsection 1 of NRS 193.1685, NRS 453.3335, 453.3345, 453.3351 or subsection 1 of NRS 453.3353 or section 11 of this act must not be sentenced to an additional term of imprisonment pursuant to any of the other listed sections even if the person's conduct satisfies the requirements for imposing an additional term of imprisonment pursuant to another one or more of those sections.
- 2. A person who is sentenced to an alternative term of imprisonment pursuant to subsection 3 of NRS 193.161, subsection 3 of NRS 193.1685 or subsection 2 of NRS 453.3353 must not be sentenced to an additional term of imprisonment pursuant to subsection 1 of NRS 193.161, NRS 193.162, 193.163, 193.165, 193.166, 193.167, 193.1675, 193.1677, 193.168, 453.3355, 453.3345 or 453.3351 *or section 11 of this act* even if the person's conduct

satisfies the requirements for imposing an additional term of imprisonment pursuant to another one or more of those sections.

- 3. This section does not:
- (a) Affect other penalties or limitations upon probation or suspension of a sentence contained in the sections listed in subsection 1 or 2.
- (b) Prohibit alleging in the alternative in the indictment or information that the person's conduct satisfies the requirements of more than one of the sections listed in subsection 1 or 2 and introducing evidence to prove the alternative allegations.
- Sec. 13. Chapter 200 of NRS is hereby amended by adding thereto the provisions set forth as sections 14 and 15 of this act.
- Sec. 14. Section 15 of this act may be cited as the Sexual Assault Victims' DNA Bill of Rights.
  - Sec. 15. 1. The Legislature hereby finds and declares that:
- (a) Victims of sexual assault have a strong interest in the investigation and prosecution of their cases.
- (b) Law enforcement agencies have an obligation to victims of sexual assault to be responsive to the victims concerning the developments of forensic testing and the investigation of their cases.
- (c) The growth of the State DNA Database and CODIS makes it possible for many perpetrators of sexual assault to be identified after their first offense.
- 2. Upon the request of a victim of sexual assault, the law enforcement agency investigating the sexual assault shall inform the victim of the status of the DNA testing of a sexual assault forensic evidence kit for other crime scene evidences from the victim's case. The law enforcement agency may require that such a request be in writing, and shall respond to such a request with an oral or written communication, including, without limitation, a communication sent by electronic mail if the victim has provided his or her electronic mail address to the law enforcement agency. This subsection must not be construed to require a law enforcement agency to communicate with a victim of sexual assault or the designee of the victim regarding the status of the testing of a sexual assault forensic evidence kit if the victim or his or her designee does not specifically request such information.
- 3. Subject to the availability of sufficient resources to respond to requests for information, a victim of sexual assault has the following rights:
- (a) The right to be informed of whether a DNA profile was obtained from the DNA testing of a sexual assault forensic evidence kit for other crime scene evidence from the victim's case.
- (b) The right to be informed of whether a DNA profile obtained from the DNA testing of a sexual assault forensic evidence kit <del>[or other crime scene evidence]</del> from the victim's case has been entered into the State DNA Database.
- (c) The right to be informed of whether there is a match between a DNA profile obtained from the DNA testing of a sexual assault forensic evidence kit for other crime scene evidence from the victim's case and a DNA profile

contained in the State DNA Database, provided that disclosure of such information will not impede or compromise any ongoing investigation.

- 4. A victim of sexual assault may designate a sexual assault victim advocate or other support person of the victim's choosing to act as a recipient of the information required to be provided pursuant to this section.
- 5. A law enforcement agency responsible for providing information pursuant to this section shall do so in a timely manner and, upon request of the victim or his or her designee, advise the victim or designee of any significant changes in the information of which the law enforcement agency is aware. To be entitled to receive such notice, the victim or his or her designee shall keep the law enforcement agency informed of the name, address, telephone number and any electronic mail address of the person to whom the information should be provided and any changes thereto.
- 6. The provisions of this section are intended to encourage a law enforcement agency to notify victims of sexual assault of information that is in the possession of the law enforcement agency, not to affect the manner of or frequency with which such information is provided to the law enforcement agency.
- 7. A defendant or person convicted or accused of a crime against a victim of sexual assault has no standing to object to any failure to comply with this section. The failure by a law enforcement agency to provide a right or notice to a victim of sexual assault pursuant to this section cannot be used by a defendant to seek to have his or her conviction or sentence set aside.
  - 8. As used in this section:
  - (a) "CODIS" has the meaning ascribed to it in NRS 176.09113.
- (b) "State DNA Database" has the meaning ascribed to it in NRS 176.09119.
  - Sec. 16. NRS 200.364 is hereby amended to read as follows:
- 200.364 As used in NRS 200.364 to 200.3788, inclusive, *and sections 14 and 15 of this act*, unless the context otherwise requires:
  - 1. "Forensic laboratory" has the meaning ascribed to it in NRS 176.09117.
- 2. "Forensic medical examination" has the meaning ascribed to it in NRS 217.300.
- 3. "Genetic marker analysis" has the meaning ascribed to it in NRS 176.09118.
- 4. "Offense involving a pupil or child" means any of the following offenses:
- (a) Sexual conduct between certain employees of a school or volunteers at a school and a pupil pursuant to NRS 201.540.
- (b) Sexual conduct between certain employees of a college or university and a student pursuant to NRS 201.550.
- (c) Sexual conduct between certain employees or contractors of or volunteers for an entity which provides services to children and a person under the care, custody, control or supervision of the entity pursuant to NRS 201.555.

- 5. "Perpetrator" means a person who commits a sexual offense, an offense involving a pupil or child or sex trafficking.
  - 6. "Sex trafficking" means a violation of subsection 2 of NRS 201.300.
- 7. "Sexual assault forensic evidence kit" means the forensic evidence obtained from a forensic medical examination.
  - 8. "Sexual offense" means any of the following offenses:
  - (a) Sexual assault pursuant to NRS 200.366.
  - (b) Statutory sexual seduction pursuant to NRS 200.368.
- 9. "Sexual penetration" means cunnilingus, fellatio, or any intrusion, however slight, of any part of a person's body or any object manipulated or inserted by a person into the genital or anal openings of the body of another, including sexual intercourse in its ordinary meaning. The term does not include any such conduct for medical purposes.
- 10. "Statutory sexual seduction" means ordinary sexual intercourse, anal intercourse or sexual penetration committed by a person 18 years of age or older with a person who is 14 or 15 years of age and who is at least 4 years younger than the perpetrator.
- 11. "Victim" means a person who is a victim of a sexual offense, an offense involving a pupil or child or sex trafficking.
- 12. "Victim of sexual assault" has the meaning ascribed to it in NRS 217.280.
  - Sec. 17. NRS 200.3782 is hereby amended to read as follows:
- 200.3782 1. A temporary order issued pursuant to NRS 200.378 expires within such time, not to exceed 30 days, as the court fixes. If a petition for an extended order is filed within the period of a temporary order, the temporary order remains in effect until the hearing on the extended order is held.
- 2. On 2 days' notice to the party who obtained the temporary order, the adverse party may appear and move its dissolution or modification, and in that event, the court shall proceed to hear and determine such motion as expeditiously as the ends of justice require.
- 3. An extended order expires within such time, not to exceed [1 year,] 5 years, as the court fixes. A temporary order may be converted by the court, upon notice to the adverse party and a hearing, into an extended order effective for not more than [1 year.] 5 years.
  - Sec. 18. NRS 200.730 is hereby amended to read as follows:
- 200.730 A person who knowingly and willfully has in his or her possession for any purpose any film, photograph or other visual presentation depicting a person under the age of 16 years as the subject of a sexual portrayal or engaging in or simulating, or assisting others to engage in or simulate, sexual conduct:
- 1. For the first offense, is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than [1 year] 5 years and a maximum term of not more than [6] 20 years, and may be further punished by a fine of not more than [\$5,000.] \$250,000.

- 2. For any subsequent offense, is guilty of a category A felony and shall be punished by imprisonment in the state prison for a minimum term of not less than [1 year] 5 years and a maximum term of life with the possibility of parole, and may be further punished by a fine of not more than [\$5,000.] \$250.000.
  - Sec. 19. NRS 201.354 is hereby amended to read as follows:
- 201.354 1. <u>It</u> *[Except as otherwise provided in subsection 2, it]* is unlawful for any person to engage in prostitution or solicitation therefor, except in a licensed house of prostitution.
- 2. A prostitute who *[is 25 years of age or older and who]* violates subsection 1 is guilty of a misdemeanor. *[A prostitute who is less than 25 years of age is deemed to be a victim and must not be arrested or subject to any punishment, but must be connected with any appropriate available services for victims of sexual offenses.] A peace officer who:*
- (a) Detains, but does not arrest or issue a citation to a prostitute for a violation of subsection 1 shall, before releasing the prostitute, provide information regarding and opportunities for connecting with social service agencies that may provide assistance to the prostitute. The Department of Health and Human Services shall assist law enforcement agencies in providing information regarding and opportunities for connecting with such social service agencies pursuant to this paragraph.
- (b) Arrests or issues a citation to a prostitute for a violation of subsection 1 shall, before the prostitute is released from custody or cited:
- (1) Inform the prostitute that he or she may be eligible for assignment to a preprosecution diversion program established pursuant to NRS 174.032; and
- (2) Provide the information regarding and opportunities for connecting with social service agencies described in paragraph (a).
- 3. Except as otherwise provided in subsection 5, a customer who violates subsection 1:
- (a) For a first offense, is guilty of a misdemeanor and shall be punished as provided in NRS 193.150, and by a fine of not less than \$400.
- (b) For a second offense, is guilty of a gross misdemeanor and shall be punished as provided in NRS 193.140, and by a fine of not less than \$800.
- (c) For a third or subsequent offense, is guilty of a gross misdemeanor and shall be punished as provided in NRS 193.140, and by a fine of not less than \$1,300.
- 4. In addition to any other penalty imposed, the court shall order a person who violates subsection 3 to pay a civil penalty of not less than \$200 per offense. The civil penalty must be paid to the district attorney or city attorney of the jurisdiction in which the violation occurred. If the civil penalty imposed pursuant to this subsection:
- (a) Is not within the person's present ability to pay, in lieu of paying the penalty, the court may allow the person to perform community service for a

reasonable number of hours, the value of which would be commensurate with the civil penalty.

- (b) Is not entirely within the person's present ability to pay, in lieu of paying the entire civil penalty, the court may allow the person to perform community service for a reasonable number of hours, the value of which would be commensurate with the amount of the reduction of the civil penalty.
- 5. A customer who violates subsection 1 by soliciting a child for prostitution:
- (a) For a first offense, is guilty of a category E felony and shall be punished as provided in NRS 193.130, and by a fine of not more than \$5,000.
- (b) For a second offense, is guilty of a category D felony and shall be punished as provided in NRS 193.130.
- (c) For a third or subsequent offense, is guilty of a category C felony and shall be punished as provided in NRS 193.130. The court shall not grant probation to or suspend the sentence of a person punished pursuant to this paragraph.
- 6. Any civil penalty collected by a district attorney or city attorney pursuant to subsection 4 must be deposited in the county or city treasury, as applicable, to be used for:
  - (a) The enforcement of this section; and
- (b) Programs of treatment for persons who solicit prostitution which are certified by the Division of Public and Behavioral Health of the Department of Health and Human Services.
- Not less than 50 percent of the money deposited in the county or city treasury, as applicable, pursuant to this subsection must be used for the enforcement of this section.
- 7. If a person who violates subsection 1 is ordered pursuant to NRS 4.373 or 5.055 to participate in a program for the treatment of persons who solicit prostitution, upon fulfillment of the terms and conditions of the program, the court may discharge the person and dismiss the proceedings against the person. If the court discharges the person and dismisses the proceedings against the person, a nonpublic record of the discharge and dismissal must be transmitted to and retained by the Division of Parole and Probation of the Department of Public Safety solely for the use of the courts in determining whether, in later proceedings, the person qualifies under this section for participation in a program of treatment for persons who solicit prostitution. Except as otherwise provided in this subsection, discharge and dismissal under this subsection is without adjudication of guilt and is not a conviction for purposes of employment, civil rights or any statute or regulation or license or questionnaire or for any other public or private purpose, but is a conviction for the purpose of additional penalties imposed for a second or subsequent conviction or the setting of bail. Discharge and dismissal restores the person discharged, in the contemplation of the law, to the status occupied before the proceedings. The person may not be held thereafter under any law to be guilty of perjury or otherwise giving a false statement by reason of failure to recite or acknowledge

the proceedings in response to an inquiry made of the person for any purpose. Discharge and dismissal under this subsection may occur only once with respect to any person. A professional licensing board may consider a proceeding under this subsection in determining suitability for a license or liability to discipline for misconduct. Such a board is entitled for those purposes to a truthful answer from the applicant or licensee concerning any such proceeding with respect to the applicant or licensee.

- 8. Except as limited by subsection 9, if a person is discharged and the proceedings against the person are dismissed pursuant to subsection 7, the court shall, without a hearing, order sealed all documents, papers and exhibits in that person's record, minute book entries and entries on dockets, and other documents relating to the case in the custody of such other agencies and officers as are named in the court's order. The court shall cause a copy of the order to be sent to each agency or officer named in the order. Each such agency or officer shall notify the court in writing of its compliance with the order.
- 9. A professional licensing board is entitled, for the purpose of determining suitability for a license or liability to discipline for misconduct, to inspect and to copy from a record sealed pursuant to this section.
- 10. If, at any time before the trial of a prostitute charged with a violation of subsection 1, the prosecuting attorney has reason to believe that the prostitute is a victim of sex trafficking, the prosecuting attorney shall dismiss the charge. As used in this subsection, "sex trafficking" means a violation of subsection 2 of NRS 201.300.
  - Sec. 20. NRS 212.187 is hereby amended to read as follows:
- 212.187 1. A prisoner who is in lawful custody or confinement, other than in the custody of the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 209.4886 or 209.4888 or residential confinement, and who voluntarily engages in sexual conduct with another person who is not an employee of or a contractor or volunteer for a prison is guilty of a category D felony and shall be punished as provided in NRS 193.130.
- 2. Except as otherwise provided in NRS 212.188, a person who voluntarily engages in sexual conduct with a prisoner who is in lawful custody or confinement, [other than in the custody of the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 209.4886 or 209.4888 or residential confinement,] including, without limitation, a law enforcement officer who voluntarily engages in sexual conduct with a person who is in his or her custody, is guilty of a category D felony and shall be punished as provided in NRS 193.130.
- 3. If a law enforcement officer violates this section by voluntarily engaging in sexual conduct with a person who is in his or her custody, it is not a defense that the person in his or her custody consented to the sexual conduct.
  - 4. As used in this section [, "sexual]:

- (a) "Lawful custody or confinement" does not include being in the custody of the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 209.4886 or 209.4888 or residential confinement.
  - (b) "Sexual conduct":
- [(a)] (1) Includes acts of masturbation, sexual penetration or physical contact with another person's clothed or unclothed genitals or pubic area to arouse, appeal to or gratify the sexual desires of a person.
- [(b)] (2) Does not include acts of a person who has custody of a prisoner or an employee of or a contractor or volunteer for the prison in which the prisoner is confined that are performed to carry out the necessary duties of such a person, employee, contractor or volunteer.
- Sec. 21. [Chapter 217 of NRS is hereby amended by adding thereto a new section to read as follows:
- The Department of Health and Human Services:
- 1. Shall develop a State Plan for Services for Victims of Crime to ensure that agencies which provide compensation to and services for victims of crime are coordinated in their efforts and use the same data.
- 2. Shall consult with each division of the Department of Health and Human Services and all other agencies which administer a fund designated for victims of crime when developing the State Plan for Services for Victims of Crime.
- 3. May consult with any division of the Department of Health and Human Services or other agency which provides support for victims of crime when developing the State Plan for Services for Victims of Crime.] (Deleted by amendment.)
  - Sec. 22. [NRS 217.038 is hereby amended to read as follows:
- <u>217.038</u> "Department" means the Department of [Administration.] *Health* and *Human Services.*] (Deleted by amendment.)
- Sec. 23. [NRS 217.117 is hereby amended to read as follows:
- 217.117 I. The applicant or the Director may, within 15 days after the hearing officer renders a decision, appeal the decision to an appeals officer. The appeals officer may hold a hearing or render a decision without a hearing. If the appeals officer holds a hearing, the appeals officer must give notice to the applicant, hold the hearing within 30 days after the notice, and render a decision in the case within 15 days after the hearing. The appeals officer shall render a decision in each case within 30 days after receiving the appeal and the record if a hearing is not held. The appeals officer may affirm, modify or reverse the decision of the hearing officer.
- 2. The appeals officer has the same powers as are vested in the hearing officer pursuant to NRS 217.113.
- 3. The applicant or the Director may, within 15 days after the appeals officer renders a decision, appeal the decision [to the Board. The Board shall consider the appeal on the record at its next scheduled meeting if the appeal and the record are received by the Board at least 5 days before the meeting. Within 15 days after the meeting the Board shall render its decision in the case

- or give notice to the applicant that a hearing will be held. The hearing must be held within 30 days after the notice is given and the Board shall render its decision in the case within 15 days after the hearing. The Board may affirm, modify or reverse the decision of the appeals officer.
- 4. The decision of the Board is final and not subject to judicial review.] in accordance with the regulations adopted by the Director pursuant to NRS 217.130.] (Deleted by amendment.)
  - Sec. 24. INRS 217.130 is hereby amended to read as follows:
- 217.130 With the approval of the Board, the Director may adopt, rescind and amend rules and regulations [prescribing] to carry out the provisions of NRS 217.010 to 217.270, inclusive, including, without limitation, rules and regulations:
- 1. Establishing the eligibility requirements for receiving compensation under the provisions of NRS 217.010 to 217.270, inclusive, in accordance with state and federal law;
- 2. Prescribing the procedures to be followed in the filing of applications and proceedings under NRS 217.010 to 217.270, inclusive, and for such other matters as the Director deems appropriate [.]; and
- 3. Providing for administrative hearings to address appeals of the decisions of appeals officers pursuant to subsection 3 of NRS 217.117.] (Deleted by amendment.)
  - Sec. 25. NRS 388.1351 is hereby amended to read as follows:
- 388.1351 1. Except as otherwise provided in NRS 388.13535, a teacher, administrator, coach or other staff member who witnesses a violation of NRS 388.135 or receives information that a violation of NRS 388.135 has occurred shall report the violation to the administrator or his or her designee as soon as practicable, but not later than a time during the same day on which the teacher, administrator, coach or other staff member witnessed the violation or received information regarding the occurrence of a violation.
- 2. Except as otherwise provided in this subsection, upon receiving a report required by subsection 1, the administrator or designee shall immediately take any necessary action to stop the bullying or cyber-bullying and ensure the safety and well-being of the reported victim or victims of the bullying or cyber-bullying and shall begin an investigation into the report. If the administrator or designee does not have access to the reported victim of the alleged violation of NRS 388.135, the administrator or designee may wait until the next school day when he or she has such access to take the action required by this subsection.
- 3. The investigation conducted pursuant to subsection 2 must include, without limitation:
- (a) Except as otherwise provided in subsection 4, notification provided by telephone, electronic mail or other electronic means or provided in person, of the parents or guardians of all pupils directly involved in the reported bullying or cyber-bullying, as applicable, either as a reported aggressor or a reported victim of the bullying or cyber-bullying. The notification must be provided:

- (1) If the bullying or cyber-bullying is reported before the end of school hours on a school day, before the school's administrative office closes on the day on which the bullying or cyber-bullying is reported; or
- (2) If the bullying or cyber-bullying was reported on a day that is not a school day, or after school hours on a school day, before the school's administrative office closes on the school day following the day on which the bullying or cyber-bullying is reported.
- (b) Interviews with all pupils whose parents or guardians must be notified pursuant to paragraph (a) and with all such parents and guardians.
- 4. If the contact information for the parent or guardian of a pupil in the records of the school is not correct, a good faith effort to notify the parent or guardian shall be deemed sufficient to meet the requirement for notification pursuant to paragraph (a) of subsection 3.
- 5. Except as otherwise provided in this subsection, an investigation required by this section must be completed not later than 2 school days after the administrator or designee receives a report required by subsection 1. If extenuating circumstances prevent the administrator or designee from completing the investigation required by this section within 2 school days after making a good faith effort, 1 additional school day may be used to complete the investigation.
- 6. An administrator or designee who conducts an investigation required by this section shall complete a written report of the findings and conclusions of the investigation. If a violation is found to have occurred, the report must include recommendations concerning the imposition of disciplinary action or other measures to be imposed as a result of the violation, in accordance with the policy governing disciplinary action adopted by the governing body. Subject to the provisions of the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g, and any regulations adopted pursuant thereto, the report must be made available, not later than 24 hours after the completion of the written report, to all parents or guardians who must be notified pursuant to paragraph (a) of subsection 3 as part of the investigation.
- 7. If a violation is found not to have occurred, information concerning the incident must not be included in the record of the reported aggressor.
- 8. Not later than 10 school days after receiving a report required by subsection 1, the administrator or designee shall meet with each reported victim of the bullying or cyber-bullying to inquire about the well-being of the reported victim and to ensure that the reported bullying or cyber-bullying, as applicable, is not continuing.
- 9. To the extent that information is available, the administrator or his or her designee shall provide a list of any resources that may be available in the community to assist a pupil to each parent or guardian of a pupil to whom notice was provided pursuant to this section as soon as practicable. Such a list may include, without limitation, resources available at no charge or at a reduced cost and may be provided in person or by electronic or regular mail. If such a list is provided, the administrator, his or her designee, or any

employee of the school or the school district is not responsible for providing such resources to the pupil or ensuring the pupil receives such resources.

- 10. The parent or guardian of a pupil involved in the reported violation of NRS 388.135 may appeal a disciplinary decision of the administrator or his or her designee, made against the pupil as a result of the violation, in accordance with the policy governing disciplinary action adopted by the governing body. Not later than 30 days after receiving a response provided in accordance with such a policy, the parent or guardian may submit a complaint to the Department. The Department shall consider and respond to the complaint pursuant to procedures and standards prescribed in regulations adopted by the Department.
- 11. If a violation of NRS 388.135 is found to have occurred, the parent or guardian of a pupil who is a victim of bullying or cyber-bullying may request that the board of trustees of the school district in which the pupil is enrolled to assign the pupil to a different school in the school district. Upon receiving such a request, the board of trustees shall, in consultation with the parent or guardian of the pupil, assign the pupil to a different school.
- 12. A principal or his or her designee shall submit a monthly report to the direct supervisor of the principal that includes for the school the number of:
  - (a) Reports received pursuant to subsection 1;
- (b) Times in which a violation of NRS 388.135 is found to have occurred; and
  - (c) Times in which no violation of NRS 388.135 is found to have occurred.
- 13. A direct supervisor who receives a monthly report pursuant to subsection 12 shall, each calendar quarter, submit a report to the Office for a Safe and Respectful Learning Environment that includes, for the schools for which the direct supervisor has received a monthly report in the calendar quarter, the:
  - (a) Total number of reports received pursuant to subsection 1;
- (b) Number of times in which a violation of NRS 388.135 is found to have occurred: and
- (c) Number of times in which no violation of NRS 388.135 is found to have occurred.
- 14. School hours and school days are determined for the purposes of this section by the schedule established by the governing body for the school.
- 15. The provisions of this section must not be construed to place any limit on the time within which an investigation concerning any alleged act that constitutes sexual assault must be completed.
- Sec. 26. Chapter 435 of NRS is hereby amended by adding thereto a new section to read as follows:

The Division shall ensure that each facility to which a person with an intellectual disability or a person with a developmental disability is able to be admitted pursuant to this chapter provides:

1. Training to each employee of the facility regarding the protocol that must be followed if the employee becomes aware of any sexual abuse of a

person with an intellectual disability or a person with a developmental disability that is admitted to the facility; and

- 2. Education to each person with an intellectual disability or person with a developmental disability that is admitted to the facility which:
- (a) Is appropriate with regard to the level of the person's intellectual and developmental abilities; and
  - (b) Explains what sexual abuse is and how to report sexual abuse.
  - Sec. 27. NRS 441A.320 is hereby amended to read as follows:
- 441A.320 1. If the alleged victim or a witness to a crime alleges that the crime involved the sexual penetration of the victim's body, the health authority shall perform the tests set forth in subsection  $2 \frac{\text{[as]}}{\text{[as]}}$ :
- <u>(a)</u> As soon as practicable after the arrest of the person alleged to have committed the crime, but not later than [48] 96 hours after the person is charged with the crime by indictment or information, unless the person alleged to have committed the crime is a child who will be adjudicated in juvenile court and then not later than [48] 96 hours after the petition is filed with the juvenile court alleging that the child is delinquent for committing such an act [1]; and
- (b) In all cases, before the person alleged to have committed the crime is released from custody.
- 2. If the health authority is required to perform tests pursuant to subsection 1, it must test a specimen obtained from the arrested person for exposure to the human immunodeficiency virus and any commonly contracted sexually transmitted disease, regardless of whether the person or, if the person is a child, the parent or guardian of the child consents to providing the specimen. The agency that has custody of the arrested person shall obtain the specimen and submit it to the health authority for testing. The health authority shall perform the test in accordance with generally accepted medical practices. [Unless the arrested person is afflicted with hemophilia or with a heart condition requiring the use of an anticoagulant as determined by a physician, the arrested person may not refuse to submit to any blood test administered for the purpose of this section.]
- 3. In addition to the test performed pursuant to subsection 2, the health authority shall perform such follow-up tests for the human immunodeficiency virus as may be deemed medically appropriate.
- 4. As soon as practicable, the health authority shall disclose the results of all tests performed pursuant to subsection 2 or 3 to:
- (a) The victim or to the victim's parent or guardian if the victim is a child; and
- (b) The arrested person and, if the person is a child, to the parent or guardian of the child.
- 5. If the health authority determines, from the results of a test performed pursuant to subsection 2 or 3, that a victim of sexual assault may have been exposed to the human immunodeficiency virus or any commonly contracted

sexually transmitted disease, it shall, at the request of the victim, provide him or her with:

- (a) An examination for exposure to the human immunodeficiency virus and any commonly contracted sexually transmitted disease to which the health authority determines the victim may have been exposed;
- (b) Counseling regarding the human immunodeficiency virus and any commonly contracted sexually transmitted disease to which the health authority determines the victim may have been exposed; and
  - (c) A referral for health care and other assistance,
- → as appropriate.
  - 6. If the court in:
- (a) A criminal proceeding determines that a person has committed a crime; or
- (b) A proceeding conducted pursuant to title 5 of NRS determines that a child has committed an act which, if committed by an adult, would have constituted a crime.
- → involving the sexual penetration of a victim's body, the court shall, upon application by the health authority, order that child or other person to pay any expenses incurred in carrying out this section with regard to that child or other person and that victim.
- 7. The Board shall adopt regulations identifying, for the purposes of this section, sexually transmitted diseases which are commonly contracted.
  - 8. As used in this section:
  - (a) "Sexual assault" means a violation of NRS 200.366.
  - (b) "Sexual penetration" has the meaning ascribed to it in NRS 200.364.
- Sec. 27.3. <u>1. The Advisory Commission on the Administration of Justice created pursuant to NRS 176.0123 shall conduct a study of the laws relating to the crime of prostitution or the solicitation of prostitution.</u>
- 2. In conducting the study, the Commission shall:
- (a) Review existing state laws relating to the crime of prostitution or the solicitation of prostitution and consider potential changes to the laws to treat prostitutes as victims, including, without limitation, potentially changing the laws to exempt persons under 25 years of age from arrest and punishment.
- (b) Research and consider various procedures for effectively providing services to persons identified as prostitutes.
- (c) Review the effects of the provisions of this act that require a peace officer to provide to a prostitute information regarding and opportunities for connecting with social service agencies that may provide assistance to the prostitute.
- (d) Consult with and solicit input from:
  - (1) Representatives of the Office of the Attorney General.
- (2) Representatives of law enforcement agencies and juvenile justice agencies.
- (3) Representatives of the Department of Health and Human Services and other social service agencies.

- (4) Persons who are health care providers, including, without limitation, psychologists and other counselors who have experience treating victims and survivors of prostitution.
- (5) Persons who are survivors of prostitution who engaged in prostitution as adults.
- (6) Representatives of organizations that assist victims and survivors of prostitution, sex trafficking and similar crimes, including, without limitation, advocates for such victims and survivors.
- (7) Representatives with experience or an interest in and knowledge of the problems faced by victims and survivors of prostitution.
- 3. The Commission shall submit a report of the results of its study and any recommendations for legislation to the Director of the Legislative Counsel Bureau for transmittal to the 81st Session of the Nevada Legislature.

Sec. 28. The amendatory provisions of:

- 1. Section 1 of this act apply to a plaintiff who, before October 1, 2019, was sexually abused while less than 18 years of age or sexually assaulted if the applicable statute of limitations has not yet expired on October 1, 2019.
  - 2. Section 6 of this act apply to a person who:
- (a) Committed a violation of NRS 200.366, 200.368, 200.710, 200.720, 200.725, 200.727, 200.730, 201.180, 201.230, 201.540, 201.550, 201.555 or 201.560 before October 1, 2019, if the applicable statute of limitations has commenced but has not yet expired on October 1, 2019.
- (b) Commits a violation of NRS 200.366, 200.368, 200.710, 200.720, 200.725, 200.727, 200.730, 201.180, 201.230, 201.540, 201.550, 201.555 or 201.560 on or after October 1, 2019.
- 3. Section 11 of this act apply to an offense committed on or after October 1, 2019.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senator Cannizzaro.

Amendment No. 446 to Senate Bill No. 368 removes portions of the bill which address certain arrests for unlawful prostitution, sexual misconduct by law enforcement officers and the relocation of the administration of the Fund for the Compensation of Victims of Crime to the Department of Health and Human Services; provides that if a person is detained but is not arrested or cited for solicitation or prostitution, a peace officer must provide the person information and opportunities to connect with social service agencies that can offer assistance; provides that if a person is arrested for prostitution but is found to be a victim of sex trafficking, the charges must be dismissed; and requires the Advisory Commission on the Administration of Justice to study State laws relating to prostitution and report its findings and recommendations to the Legislature.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 375.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary: Amendment No. 251.

SUMMARY—<u>[Exempts]</u> <u>Revises threshold for determining whether</u> certain persons and entities who operate home-based businesses <u>are exempt</u> from the requirement to obtain a state business license. (BDR 7-773)

AN ACT relating to state business licenses; [exempting] revising the threshold for determining whether certain persons and entities who operate home-based businesses are exempt from the requirement to obtain a state business license; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Under existing law, a person who operates a business from his or her home and whose net earnings from that business are not more than 66 2/3 percent of the average annual wage is exempt from the requirement to obtain a state business license. (NRS 76.020, 76.100) This bill provides instead that a person who operates a business from his or her home is exempt from the requirement to obtain a state business license if his or her annual [gross] net earnings from that business are not more than \$60,000. [This bill also extends the exemption for home based businesses to certain business entities that operate a business from the home of a natural person who is a shareholder, director, officer, member, managing member, partner or trustee of the entity.]

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

Section 1. NRS 76.020 is hereby amended to read as follows:

76.020 1. Except as otherwise provided in subsection 2, "business" means:

- (a) Any person, except a natural person, that performs a service or engages in a trade for profit;
- (b) Any natural person who performs a service or engages in a trade for profit if the person is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss From Business Form, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss Form, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss From Farming Form, or its equivalent or successor form, for that activity; or
- (c) Any entity organized pursuant to this title, including, without limitation, those entities required to file with the Secretary of State, whether or not the entity performs a service or engages in a business for profit.
  - 2. The term does not include:
  - (a) A governmental entity.
- (b) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
- (c) A person who operates a business from his or her home and whose <u>annual net [annual gross]</u> earnings from that business are not more than [66 2/3 percent of the average annual wage, as computed for the preceding calendar year pursuant to chapter 612 of NRS and rounded to the nearest hundred dollars.] \$60,000.

- (d) [An entity organized pursuant to this title that operates a business from the home of a natural person who is a shareholder, director, officer, member, managing member, partner or trustee of the entity and whose annual gross earnings from that business are not more than \$60,000.
- $\frac{-(e)}{}$  A natural person whose sole business is the rental of four or fewer dwelling units to others.
  - (e) {(f)} A business organized pursuant to chapter 82 or 84 of NRS.
- (f) (g) A business organized pursuant to chapter 81 of NRS if the business is a nonprofit unit-owners' association.
  - Sec. 2. [NRS 76.100 is hereby amended to read as follows:
- —76.100—1.—A person shall not conduct a business in this State unless and until the person obtains a state business license issued by the Secretary of State. If the person is:
- (a) An entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license at the time of filing the initial or annual list.
- (b) Not an entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license before conducting a business in this State.
- 2. An application for a state business license must:
- (a) Be made upon a form prescribed by the Secretary of State:
- (b) Set forth the name under which the applicant transacts or intends to transact business, or if the applicant is an entity organized pursuant to this title and on file with the Secretary of State, the exact name on file with the Secretary of State, the business identification number as assigned by the Secretary of State pursuant to NRS 225.082, and the location in this State of the place or places of business;
- (c) Be accompanied by a fee in the amount of \$200, except that if the applicant is a corporation organized pursuant to chapter 78, 78A or 78B of NRS, or a foreign corporation required to file an initial or annual list with the Secretary of State pursuant to chapter 80 of NRS, the application must be accompanied by a fee of \$500; and
- $\underline{\hspace{0.5cm}}$  (d) Include any other information that the Secretary of State deems necessary.
- → If the applicant is an entity organized pursuant to this title and on file with the Secretary of State and the applicant has no location in this State of its place of business, the address of its registered agent shall be deemed to be the location in this State of its place of business.
- 3. The application must be signed pursuant to NRS 239.330 by:
- (a) The owner of a business that is owned by a natural person.
- (b) A member or partner of an association or partnership.
- (c) A general partner of a limited partnership.
- (d) A managing partner of a limited liability partnership.
- (e) A manager or managing member of a limited liability company.

- (f) An officer of a corporation or some other person specifically authorized by the corporation to sign the application.
- 4. If the application for a state business license is defective in any respect or the fee required by this section is not paid, the Secretary of State may return the application for correction or payment.
- 5. A state business license issued pursuant to this section must contain the business identification number assigned by the Secretary of State pursuant to NRS 225.082.
- 6. The state business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.
- 7. For the purposes of this chapter, a person:
- (a) Shall be deemed to conduct a business in this State if a business for which the person is responsible:
  - (1) Is organized pursuant to this title, other than [a]:
    - (I) A business organized pursuant to [:
    - (I) Chapter ehapter 82 or 84 of NRS; [or]
- (II) [Chapter] A business organized pursuant to chapter 81 of NRS if the business is a nonprofit unit-owners' association or a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(e); or
- (III) An entity that operates a business from the home of a natural person who is a shareholder, director, officer, member, managing member, partner or trustee of the entity and whose annual gross earnings from that business are not more than \$60,000:
  - (2) Has an office or other base of operations in this State:
- (3) Except as otherwise provided in NRS 76.103, has a registered agent in this State: or
- (4) Pays wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid.
- (b) Shall be deemed not to conduct a business in this State if the business for which the person is responsible:
  - (1) Is not organized pursuant to this title:
- (2) Does not have an office or base of operations in this State;
  - (3) Does not have a registered agent in this State;
- (4) Does not pay wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid, other than wages or other remuneration paid to a natural person for performing duties in connection with an activity described in subparagraph (5); and
- (5) Is conducting activity in this State solely to provide vehicles or equipment on a short term basis in response to a wildland fire, a flood, an earthquake or another emergency.
- 8. As used in this section, "registered agent" has the meaning ascribed to it in NRS 77.230.1 (Deleted by amendment.)
  - Sec. 3. This act becomes effective:

- 1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - 2. On July 1, 2019, for all other purposes.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senator Cannizzaro.

Amendment No. 251 to Senate Bill No. 375 removes language from the bill providing business license exemptions for certain business entities and grants a license exemption to a home-based business with a net annual income of up to \$60,000.

Amendment adopted.

Senator Cannizzaro moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 386.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 467.

SUMMARY—Revises provisions governing certain tax exemptions for veterans. (BDR 32-737)

AN ACT relating to the taxation of property; revising the requirements to receive a partial exemption from certain property taxes for certain persons who served in the Armed Forces of the United States; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides a partial exemption from property taxes for the property of bona fide residents of this State who served on active duty [of] in the Armed Forces of the United States during certain periods of declared or enumerated armed conflict and who received, upon their severance from service, an honorable discharge or certificate of satisfactory service or who are still serving. (NRS 361.090) This bill revises the requirements to receive this tax exemption [. This bill eliminates the condition that a veteran's active duty must have been served during a designated period of armed conflict. This bill also clarifies that the requirement that the veteran must have received an honorable discharge is satisfied by receipt of an equivalent discharge. Finally, this bill specifies that a general discharge under honorable conditions, or its equivalent, is not sufficient for this exemption.] to include persons who have: (1) served a minimum of 90 continuous days on active duty on or after December 20, 1989, or have served in the National Guard for 6 years or more; and (2) received an honorable discharge or certificate of satisfactory service or are still serving.

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

- Section 1. NRS 361.090 is hereby amended to read as follows:
- 361.090 1. The property, to the extent of \$2,000 assessed valuation, of any actual bona fide resident of the State of Nevada who :
- (a) Has served a minimum of 90 continuous days on active duty, who was assigned to active duty at some time between April 21, 1898, and June 15, 1903, or between April 6, 1917, and November 11, 1918, or between December 7, 1941, and December 31, 1946, or between June 25, 1950, and May 7, 1975, or between September 26, 1982, and December 1, 1987, or between October 23, 1983, and November 21, 1983, or [between] on or after December 20, 1989; [, and January 31, 1990, or between August 2, 1990, and April 11, 1991, or between December 5, 1992, and March 31, 1994, or between November 20, 1995, and December 20, 1996;]
- (b) Has served on active duty in connection with carrying out the authorization granted to the President of the United States in Public Law 102-1; [or]
- (c) Has served on active duty in connection with a campaign or expedition for service in which a medal has been authorized by the Government of the United States, regardless of the number of days served on active duty [,]; or (d) Has served in the National Guard for 6 years or more,
- [served on active duty in the Armed Forces of the United States] and who received, upon severance from service, an honorable discharge [, or its equivalent,] or [a] certificate of satisfactory service from the Armed Forces of the United States, or who having so served is still serving in the Armed Forces of the United States, is exempt from taxation. [A general discharge under honorable conditions, or its equivalent, is not sufficient for this exemption.]
- 2. For the purpose of this section, the first \$2,000 assessed valuation of property in which an applicant has any interest shall be deemed the property of the applicant.
- 3. The exemption may be allowed only to a claimant who files an affidavit with his or her claim for exemption on real property pursuant to NRS 361.155. The affidavit may be filed at any time by a person claiming exemption from taxation on personal property.
- 4. The affidavit must be made before the county assessor or a notary public and filed with the county assessor. It must state that the affiant is a bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 and that the exemption is not claimed in any other county in this State. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for:
  - (a) The renewal of the exemption; and
- (b) The designation of any amount to be credited to the Gift Account for the Veterans Home in Southern Nevada or the Gift Account for the Veterans Home in Northern Nevada established pursuant to NRS 417.145,

- → to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.
- 5. Persons in actual military service are exempt during the period of such service from filing the annual forms for renewal of the exemption, and the county assessors shall continue to grant the exemption to such persons on the basis of the original affidavits filed. In the case of any person who has entered the military service without having previously made and filed an affidavit of exemption, the affidavit may be filed in his or her behalf during the period of such service by any person having knowledge of the facts.
- 6. Before allowing any veteran's exemption pursuant to the provisions of this chapter, the county assessor shall require proof of status of the veteran, and for that purpose shall require production of an honorable discharge *[f, or its equivalent]* or *[a]* certificate of satisfactory service or a certified copy thereof, or such other proof of status as may be necessary.
- 7. If any person files a false affidavit or produces false proof to the county assessor or a notary public and, as a result of the false affidavit or false proof, the person is allowed a tax exemption to which the person is not entitled, the person is guilty of a gross misdemeanor.
- 8. Beginning with the 2005-2006 Fiscal Year, the monetary amounts in subsections 1 and 2 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from July 2003 to the July preceding the fiscal year for which the adjustment is calculated. The Department shall provide to each county assessor the adjusted amount, in writing, on or before September 30 of each year.
  - Sec. 2. This act becomes effective on July 1, 2019.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 467 to Senate Bill No. 386 changes the eligibility criteria for receiving the exemption by reinstating the eligibility criteria that exists under current law based on the dates of active-duty service specified in Nevada Revised Statute (NRS) 361.090 and providing that the exemption is expanded to apply to all veterans who served a minimum of 90 continuous days on active duty on or after December 20, 1989, regardless of the dates of active-duty service. The amendment also expands the exemption to include a person who has served in the National Guard for six years or more if the person received an honorable discharge or certificate of satisfactory service or is still serving.

Additionally, the amendment reinstates the provisions of NRS 361.090 which requires the veteran to have received an honorable discharge in order to receive the exemption; deletes provisions of the bill specifying that eligibility for the exemption could be met by a person who receives the equivalent of an honorable discharge, and finally, deletes provisions of the bill specifying that a general discharge under honorable conditions, or its equivalent, is not sufficient for this exemption.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 421.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 466.

SUMMARY—Requires the establishment and carrying out of a program relating to certain unmanned aircraft systems. (BDR 18-31)

AN ACT relating to aeronautics; requiring the establishment and carrying out of a program relating to certain unmanned aircraft systems; making an appropriation; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law creates the Office of Economic Development within the Office of the Governor. (NRS 231.043) The Office of Economic Development is responsible for carrying out various economic development programs within the State. (NRS 231.020-231.1597) Section 1 of this bill requires the Office of Economic Development, to the extent of available money, to establish and carry out a program to [supervise and] facilitate the growth and safe integration of small unmanned aircraft systems in Nevada. Section 1: (1) requires the Office to ensure that the program <del>[provide for the registration of small</del> unmanned aircraft systems; complies with all applicable federal law; and (2) authorizes the program, upon the request of operators of small unmanned aircraft systems, to provide training, [to operators of such systems,] conduct testing <del>[of such systems]</del> and <del>[develop safety guidelines for the use of such</del> systems.] provide assistance with complying with any safety standards relating to small unmanned aircraft developed by the Federal Aviation Administration. Additionally, section 1 authorizes the Office to enter into an agreement with a nonprofit organization for the operation of the program. Section 2 of this bill makes an appropriation of \$1,000,000 to the Office to carry out the program.

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

Section 1. Chapter 231 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Office shall, to the extent that money is available for this purpose, establish and carry out a program to [supervise and] facilitate the growth and safe integration of small unmanned aircraft systems in Nevada. The Office shall ensure that the program complies with all applicable federal statutes, rules and regulations.
  - 2. The program established pursuant to subsection 1 <u>f</u>:

- (a) Must provide for the registration of small unmanned aircraft systems pursuant to 14 C.F.R. Part 48 and the maintenance of a registry of all small unmanned aircraft systems registered pursuant to this paragraph.

   (b) May:
- (1)] may, upon the request of an operator of a small unmanned aircraft system:
- <u>(a)</u> Provide training <del>[to operators of small unmanned aircraft systems; (2)]</del>;
- (b) Conduct testing; for small unmanned aircraft systems; and [ (3) Develop safety guidelines for the use of small unmanned aircraft systems.]
- (c) Provide assistance with complying with any safety standards developed by the Federal Aviation Administration regarding small unmanned aircraft systems.
- 3. In carrying out the program, the Office may enter into an agreement with a nonprofit organization for the operation of the program. Such a nonprofit organization must have expertise relating to small unmanned aircraft systems.
- 4. The Office may accept any gifts, grants or donations for the support of the program.
- 5. [The Office may adopt any regulations that the Office deems necessary to earry out the program.
- —6.] As used in this section, "small unmanned aircraft system" has the meaning ascribed to it in 14 C.F.R. § 107.3.
- Sec. 2. 1. There is hereby appropriated from the State General Fund to the Office of Economic Development within the Office of the Governor the sum of \$1,000,000 to carry out the program established pursuant to section 1 of this act.
- 2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2021, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2021, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2021.
  - Sec. 3. This act becomes effective on July 1, 2019.

Senator Ohrenschall moved the adoption of the amendment.

Remarks by Senator Ohrenschall.

Amendment No. 466 to Senate Bill No. 421 revises activities of the program that must be established and carried out by the Governor's Office of Economic Development as follows. The program is required to only facilitate, rather than supervise, the growth and safe integration of small unmanned-aircraft systems in Nevada. The requirement for the program to provide for the registration of certain small unmanned-aircraft systems and the maintenance of a registry for these systems has been eliminated. Provisions are added to require the Governor's Office of Economic Development to ensure the program complies with all applicable federal statutes, rules and

regulations. The authorization of the program to develop safety guidelines for the use of small unmanned-aircraft systems is removed. Instead, the program may assist operators in understanding unmanned-aircraft system safety standards developed by the Federal Aviation Administration. The authorization of the program to provide training to operators of small unmanned-aircraft systems and conduct testing of small unmanned-aircraft systems is modified to state the program may provide training and conduct testing. Finally, the amendment removes the provision authorizing the Office of Economic Development to adopt regulations necessary to carry out the program.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 448.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 581.

SUMMARY—Provides for transferable tax credits for affordable housing in this State. (BDR 32-381)

AN ACT relating to taxation; providing for the issuance of transferable tax credits to a project for the acquisition, development, construction, improvement, expansion, reconstruction or rehabilitation of low-income housing; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing federal law establishes a federal income tax credit in an amount equal to a certain percentage of the costs of constructing a low-income housing project. Under existing federal law, to be eligible for this credit, a project is required to meet certain criteria and be a residential rental project for which: (1) 20 percent or more of the residential units in the project are restricted in the amount of rent charged to occupants of the units and occupied by individuals whose income is 50 percent or less of the median gross income for the area in which the project is located; or (2) 40 percent or more of the residential units in the project are restricted in the amount of rent charged to occupants of the unit and occupied by individuals whose income is 60 percent or less of the median gross income for the area in which the project is located. (26 U.S.C. § 42) Existing state law and regulations: (1) designate the Housing Division of the Department of Business and Industry as the state agency that allocates and distributes the federal low-income housing tax credit; (2) require the Housing Division to develop and publish a qualified allocation plan that sets forth the priorities of this State for the allocation of federal low-income housing tax credits and the criteria for selecting applicants to receive an allocation of federal low-income housing tax credits; and (3) require the Housing Division to allocate and distribute federal low-income housing tax credits to applicants who comply with the qualified allocation plan and qualify

to receive such credits in accordance with the plan. (NRS 319.145; NAC 319.951-319.998)

This bill authorizes the Housing Division of the Department of Business and Industry to issue transferable tax credits that are authorized to be taken against certain state taxes to the sponsor of a project for the acquisition, development, construction, improvement, expansion, reconstruction or rehabilitation of low-income housing, as defined by existing federal law. Section 9 of this bill authorizes the sponsor of such a project to apply on behalf of the project for the issuance of transferable tax credits. Section 9 further authorizes the Housing Division to approve such an application if the project sponsor complies with the requirements of the qualified allocation plan for the allocation and distribution of federal low-income housing tax credits and a declaration setting forth the applicable restrictions on the rent charged to occupy a unit in the project and other conditions for the issuance of transferable tax credits has been recorded in the office of the county recorder of the county in which the project is located. Under section 9, the transferable tax credits are awarded based on the amount of [preference] transferable tax credit threshold points awarded to a project [pursuant to the qualified allocation plan] and in accordance with the procedure set forth in the qualified allocation plan. The transferable tax credits authorized by section 9 may be applied to: (1) the excise tax on banks and payroll taxes imposed by chapters 363A and 363B of NRS; (2) the gaming license fees imposed by the provisions of NRS 463.370; (3) the general tax on insurance premiums imposed by chapter 680B of NRS; or (4) any combination of such taxes and fees.

Section 10 of this bill limits to \$10,000,000 the amount of transferable tax credits which the Housing Division is authorized to approve in each fiscal year and prohibits the Housing Division from approving applications and issuing transferable tax credits for any fiscal year beginning on or after July 1, 2023. Section 10 also provides that if the Housing Division determines that approval of an application that would cause the amount of transferable tax credits issued by the Housing Division in a fiscal year is necessary to ensure the maximum development of affordable housing in this State through the issuance of transferable tax credits, the Housing Division is authorized to approve the application unless approval of the application would cause the amount of transferable tax credits approved for the fiscal year to exceed \$13,000,000. If the Housing Division approves more than \$10,000,000 of transferable tax credits in a fiscal year, the Housing Division is required to reduce the amount of transferable tax credits authorized to be approved in the next fiscal year by the amount of transferable tax credits approved in excess of \$10,000,000 in the previous fiscal year. Under section 10, if less than \$10,000,000 of transferable tax credits are approved in any fiscal year, the remaining amount of transferable tax credits carries forward to any fiscal year ending on or before June 30, 2023.

Section 11 of this bill requires the project sponsor to repay any portion of transferable tax credits to which the project sponsor is not entitled if the

Housing Division determines that the project sponsor becomes ineligible for the credits or is found to have violated a restriction or condition set forth in the declaration of restrictive covenants and conditions recorded for the project. Section 12 of this bill requires the Housing Division to make and submit reports to the Legislature concerning transferable tax credits provided to a project pursuant to this bill.

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

- Section 1. Chapter 360 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 12, inclusive, of this act.
- Sec. 2. As used in sections 2 to 12, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Declaration of restrictive covenants and conditions" means an agreement between the Division and a project sponsor that sets forth the applicable restrictions concerning rent for a project and any other conditions upon which transferable tax credits are issued to the project sponsor by the Division pursuant to sections 2 to 12, inclusive, of this act.
- Sec. 4. "Division" means the Housing Division of the Department of Business and Industry.
- Sec. 5. "Federal low-income housing tax credit" means the credit or reduction in liability for federal income taxes that is awarded pursuant to 26 U.S.C. § 42.
- Sec. 6. "Project" means a project for the acquisition, development, construction, improvement, expansion, reconstruction or rehabilitation of a qualified low-income housing project, as defined in 26 U.S.C. § 42(g), located in this State.
- Sec. 7. "Project sponsor" means a person who acquires an ownership interest in a project and is designated by the participants in the project to apply for a certificate of eligibility for transferable tax credits pursuant to section 9 of this act.
- Sec. 8. "Qualified allocation plan" means the plan established by the Division pursuant to NRS 319.145 for allocating federal low-income housing tax credits.
- Sec. 9. 1. On behalf of a project, the project sponsor may apply to the Division for a certificate of eligibility for transferable tax credits which may be applied to:
  - (a) Any tax imposed by chapter 363A or 363B of NRS;
  - (b) The gaming license fees imposed by the provisions of NRS 463.370;
  - (c) Any tax imposed by chapter 680B of NRS; or
- (d) Any combination of the fees and taxes described in paragraphs (a), (b) and (c).
- 2. To apply for a certificate of eligibility for transferable tax credits, the project sponsor must:
  - (a) Submit an application on a form prescribed by the Division; and

- (b) Comply with the requirements to obtain an allocation of federal low-income housing tax credits which are set forth in the qualified allocation plan.
  - 3. The Division shall:
- (a) Review each application for a certificate of eligibility for transferable tax credits submitted pursuant to subsection 2 and any supporting documents to determine whether the requirements for eligibility for a reservation of transferable tax credits are met and the amount of [preference] transferable tax credit threshold points awarded to the project;
- (b) Determine the amount of transferable tax credits for which the project may be eligible, which amount must equal the amount determined by the Division to be necessary to make the project financially feasible [++] after considering all other sources of financing for the project; and
- (c) Reserve the amount of transferable tax credits for which each project is determined to be eligible pursuant to paragraph (b) in the order of the amount of {preference} transferable tax credit threshold points awarded to each such project pursuant to paragraph (a) until a reservation is made for each project or the amount of transferable credits reserved for the fiscal year is  $\{\$10,000,000,\}$  equal to the amount of transferable tax credits which the Division is authorized to approve for the fiscal year pursuant to section 10 of this act, whichever occurs first. If the amount of transferable tax credits reserved for the fiscal year reaches [\$10,000,000] the amount of transferable tax credits which the Division is authorized to approve for the fiscal year pursuant to section 10 of this act before each eligible project is reserved the full amount of transferable tax credits for which it is determined to be eligible pursuant to paragraph (b), the Division may take any action that the Division determines will ensure the maximum development of affordable housing in this State, including, without limitation, proportionally reducing the reservation of each project for which transferable tax credits are reserved or reserving for the last project to receive a reservation of transferable tax credits an amount of transferable tax credits that is less than the full amount of transferable tax credits for which the project was determined to be eligible pursuant to paragraph (b).
- 4. If the Division reserves transferable tax credits for a project pursuant to subsection 3, the Division shall provide written notice of the reservation which identifies the amount of the tax credits reserved for the project to:
  - (a) The project sponsor;
  - (b) The Department;
  - (c) The Nevada Gaming Control Board;
  - (d) The Office of Finance; and
  - (e) The Fiscal Analysis Division of the Legislative Counsel Bureau.
  - 5. The Division:
- (a) Shall terminate a reservation of transferable tax credits if the project for which the reservation is awarded is not closed within the period specified in paragraph (a) of subsection 6 unless, before the expiration of that period,

the Division receives from the project sponsor a written request for an extension of not more than 45 days. The Division may grant only one extension pursuant to this paragraph and, if the project is not closed before the expiration of the extension period, the Division must terminate the reservation of transferable tax credits. A request for an extension submitted pursuant to this paragraph must be accompanied by proof satisfactory to the Division that:

- (1) The requirements for financing the project have been substantially completed;
- (2) The delay in closing was the result of circumstances that could not have been anticipated by and were outside the control of the project sponsor at the time the application was submitted by the project sponsor; and
- (3) The project will be closed not later than 45 days after the Division receives the request.
- (b) May terminate a reservation of transferable tax credits if the Division determines that any event, circumstance or condition occurs for which a reservation of federal low-income housing tax credits may be terminated. If transferable tax credits are terminated pursuant to this paragraph, the Division may issue a reservation for the amount of transferable tax credits terminated to other projects eligible for transferable tax credits in the order of the amount of <a href="ference">ference</a> transferable tax credit threshold points awarded to each such project pursuant to paragraph (a) of subsection 3.
- 6. Except as otherwise provided in this section, to be issued transferable tax credits:
- (a) Not later than 270 days after the Division provides written notice of the reservation of transferable tax credits pursuant to subsection 4, the project sponsor must demonstrate to the Division that the project has been closed by providing proof satisfactory to the Division that the project sponsor has:
- (1) Purchased and holds title in fee simple to the project site in the name of the project sponsor.
- (2) Entered into a written agreement with a contractor who is licensed in this State to begin construction.
- (3) Obtained adequate financing for the construction of the project. The applicant must provide written commitments or contracts from third parties.
- (4) Executed a written commitment for a loan for permanent financing for the construction of the project in an amount that ensures the financial feasibility of the project. The commitment may be subject to the condition that the construction is completed and the project is appraised for an amount sufficient to justify the loan in accordance with the requirements of the lender for credit. If the project is a rural development project that receives loans or grants from the United States Department of Agriculture, the applicant must provide a form approved by the Division that indicates that money has been obligated for the construction of the project before the expiration of the period. An advance of that money is not required before the expiration of the period.
- (b) Upon completion of the project, the project sponsor must submit to the Division a final application for transferable tax credits on a form provided by

the Division , a certification of costs on a form provided by the Division and such other information as the Division deems necessary to determine whether the project qualifies for the issuance of transferable tax credits. Upon receipt of a final application pursuant to this paragraph, the Division shall complete a review of the project, [and] the project sponsor [...] and the certification of costs. If, after such review, the Division determines that the project complies with the requirements upon which transferable tax credits were reserved pursuant to this section and a declaration of restrictive covenants and conditions has been recorded in the office of the county recorder for the county in which the project is located:

## (1) The Division shall [determine]:

- (I) <u>Determine</u> the appropriate amount of transferable tax credits for the project, which <u>must be the</u> amount the <u>Division determines is necessary to make the project financially feasible after all other sources of funding are allocated and paid toward the final cost of the project indicated in the <u>certification of costs and may not exceed the amount of transferable tax credits reserved for the project pursuant to this section; and <del>[notify]</del></u></u>
- (II) Notify the project sponsor that the transferable tax credits will be issued;
- (2) Within 30 days after the receipt of the notice, the project sponsor shall make an irrevocable declaration of the amount of transferable tax credits that will be applied to each fee or tax set forth in subsection 1, thereby accounting for all of the credits which will be issued; and
- (3) Upon receipt of the declaration described in subparagraph (2), issue transferable tax credits to the project sponsor in the amount approved by the Division. The project sponsor shall notify the Division upon transferring any transferable tax credits. The Division shall notify the Department of Taxation , the Office of Finance, the Fiscal Analysis Division of the Legislative Counsel Bureau and the Nevada Gaming Control Board of all transferable tax credits issued, segregated by each fee or tax set forth in subsection 1 ++, and of all transferable tax credits transferred, segregated by each fee or tax set forth in subsection 1.
- 7. The project sponsor may submit a request to the Administrator of the Division to protect from disclosure any information in the application which, under generally accepted business practices, would be considered a trade secret or other confidential proprietary information of the business. After consulting with the business, the Administrator of the Division shall determine whether to protect the information from disclosure. The decision of the Administrator of the Division is final and is not subject to judicial review. If the Administrator of the Division determines to protect the information from disclosure, the protected information:
  - (a) Is confidential proprietary information of the business;
  - (b) Is not a public record;
- (c) Must be redacted by the Administrator of the Division from any copy of the application that is disclosed to the public; and

- (d) Must not be disclosed to any person who is not an officer or employee of the Division unless the lead participant consents to the disclosure.
- 8. The Division may adopt any regulations necessary to carry out the provisions of sections 2 to 12, inclusive, of this act.
  - 9. The Nevada Tax Commission and the Nevada Gaming Commission:
- (a) Shall adopt regulations prescribing the manner in which transferable tax credits described in this section will be administered.
- (b) May adopt any other regulations that are necessary to carry out the provisions of sections 2 to 12, inclusive, of this act.
- 10. As used in this section:
- (a) "Certification of costs" means a report from an independent certified public accountant attesting:
  - (1) To the amount of the actual costs of construction of the project; and
- (2) That those costs may be included in the eligible basis of the project pursuant to the provisions of 26 U.S.C. § 42.
- (b) "Transferable tax credit threshold points" means points awarded based on specific objectives determined by the Division through the dissemination of a strategic plan for the development of affordable housing created by the Division, the review of housing data and the receipt of input from persons interested in the development of affordable housing.
- Sec. 10. 1. Except as otherwise provided in this subsection, the Division shall not approve any application for transferable tax credits submitted pursuant to section 9 of this act if:
- (a) Approval of the application would cause the total amount of transferable tax credits approved pursuant to section 9 of this act for each fiscal year to exceed \$10,000,000. Any portion of the \$10,000,000 per fiscal year for which transferable tax credits have not previously been approved may be carried forward and made available for approval during the next or any future fiscal year ending on or before June 30, 2023. If the Division determines that approval of an application that would cause the total amount of transferable tax credits approved pursuant to section 9 of this act in a fiscal year to exceed \$10,000,000 is necessary to ensure the maximum development of affordable housing in this State through the approval of transferable tax credits pursuant to section 9 of this act, the Division may approve the application unless the approval of the application would cause the total amount of transferable tax credits approved pursuant to section 9 of this act in the fiscal year to exceed \$13,000,000. If the Division approves an application for transferable tax credits that causes the total amount of transferable tax credits approved pursuant to section 9 of this act in a fiscal year to exceed \$10,000,000, the Division must reduce the amount of transferable tax credits which may be approved pursuant to section 9 of this act in the next fiscal year by the amount of transferable tax credits approved in excess of \$10,000,000 in the previous fiscal year.
  - (b) The Division receives the application on or after July 1, 2023.

- 2. The transferable tax credits issued to a project sponsor pursuant to section 9 of this act expire 4 years after the date on which the transferable tax credits are issued to the project sponsor.
- Sec. 11. 1. A project sponsor that is found to have submitted any false statement or made any false representation in any document submitted for the purpose of obtaining transferable tax credits pursuant to sections 2 to 12, inclusive, of this act or that fails to comply with the requirements of the qualified allocation plan or the declaration of restrictive covenants and conditions shall repay to the Department or the Nevada Gaming Control Board, as applicable, any portion of the transferable tax credits to which the project sponsor is not entitled.
- 2. Transferable tax credits purchased in good faith are not subject to forfeiture or repayment by the transferee unless the transferee submitted fraudulent information in connection with the purchase.
- Sec. 12. The Division shall, on or before October 1 of each year, prepare and submit to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the Legislature an annual report which includes, for the immediately preceding fiscal year:
- 1. The number of applications submitted for a certificate of eligibility for transferable tax credits pursuant to section 9 of this act;
- 2. The number of projects for which transferable tax credits were approved;
  - 3. Each type of project for which transferable tax credits were approved;
  - 4. The amount of transferable tax credits approved;
  - 5. The amount of transferable tax credits used;
  - 6. The amount of transferable tax credits transferred;
- 7. The amount of transferable tax credits taken against each allowable fee or tax, including the actual amount used and outstanding, in total and for each project; and
- 8. The number of units of affordable housing created because of the issuance of transferable tax credits pursuant to section 9 of this act. As used in this subsection, "unit of affordable housing" means a residential unit in a project that is a rent-restricted unit, as defined in 26 U.S.C.  $\S$  42(g)(2).
- Sec. 13. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
  - Sec. 14. This act becomes effective:
- 1. On July 1, 2019, for the purpose of adopting regulations and performing any other administrative tasks that are necessary to carry out the provisions of this act and on January 1, 2020, for all other purposes.
  - 2. Expires by limitation on January 1, 2030.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 581 makes the following five changes to Senate Bill No. 448. It replaces the term "preference points" with "transferable tax credit threshold points" and defines that term for

the purpose of clarifying the criteria that will be used by the Housing Division to review applications for transferable tax credits. It defines the term "certification of costs" and requires the Housing Division, before the issuance of the State transferable tax credits, to review the certification of costs provided by an independent certified public accountant as used for the issuance of federal low-income housing tax credits and as specified in the Qualified Allocation Plan. It establishes provisions to require that the final amount of State transferrable tax credits to make a project financially feasible must be determined after all other sources of funding are allocated and paid toward the final costs of the project indicated in the certification of costs; requires the Housing Division to provide notice of all tax credits transferred in addition to all tax credits issued and further requires such notices to be provided to the Governor's Office of Finance and the Fiscal Analysis Division of the Legislative Counsel Bureau in addition to the Department of Taxation and the Gaming Control Board. And finally, it establishes provisions to permit the Housing Division to allocate a portion of the \$10 million in transferrable tax credit authorized for the immediately succeeding fiscal year to be reserved for projects approved in the current fiscal year if the Division determines such action is necessary to ensure the maximum development of affordable housing in this State under the provisions of the program established by the bill.

The amendment further clarifies that if a portion of the tax credits from any succeeding fiscal year is approved for use in a current fiscal year, the amount approved must not exceed \$3 million and the allocation from that succeeding fiscal year must be reduced by the same amount approved in the current fiscal year.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

GENERAL FILE AND THIRD READING

Senate Bill No. 327.

Bill read third time.

Remarks by Senator Kieckhefer.

Senate Bill No. 327 authorizes a governing body of a county or city that enacts an ordinance with certain requirements for a proposed planned unit development (PUD) to provide for the division of land within it. The zone may be divided into five or more lots pursuant to a tentative and final map for land zoned for industrial or commercial development or a parcel map for the division of land for transfer or development. A tentative map to further subdivide land for the development of residential dwelling units may be submitted and processed by the governing body at the same time as a tentative map or parcel map for the division of the land.

The amendatory provisions of this bill do not apply to any PUD for which the landowner has initiated the process for obtaining approval from the city or county, as applicable, before July 1, 2019, including, without limitation, by filing an application for tentative approval of the land for the PUD. This bill is effective on July 1, 2019.

This is an effort to ensure local governments have flexibility in their ability to approve land development processes to help get more product on the market in a timely fashion once all of the land uses have already been decided.

Roll call on Senate Bill No. 327:

YEAS—21.

NAYS-None.

Senate Bill No. 327 having received a two-thirds majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 469.

Bill read third time.

The following amendment was proposed by Senator Denis:

Amendment No. 546.

SUMMARY—Revises provisions relating to the reorganization of certain school districts. (BDR 34-818)

AN ACT relating to education; <u>clarifying that a large school district is responsible for utilities for each local school precinct;</u> revising the number of local school precincts in a large school district that a school associate superintendent is authorized to oversee; revising <a href="the-manner in which a large school district is required to determine the allocation that will be made to each local school precinct for the next school year;">the manner in which a large school district is required to determine the allocation that will be made to each local school precinct for the next school year;</u> provisions relating to the allocation of money by such a large school district to local school precincts to carry out the responsibilities transferred to the precincts; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prescribes requirements for the transition and restructuring of school districts which have more than 100,000 pupils enrolled in its public schools (currently the Clark County School District) from a centralized operational model to a more decentralized and autonomous site-based operational model. (NRS 388G.500-388G.810) To accomplish this, existing law: (1) deems each public school within a large school district, other than a charter school or a university school for profoundly gifted pupils, to be a local school precinct which is operated under site-based decision-making; and (2) provides to the local school precincts the authority to carry out certain responsibilities which have traditionally been carried out by the large school district. (NRS 388G.600)

Existing law: (1) requires the superintendent of schools of a large school district to transfer certain responsibilities to each local school precinct; and (2) provides that the large school district remains responsible for paying for and carrying out all other responsibilities necessary for the operation of the local school precincts. (NRS 388G.610) Section 1 of this bill clarifies that the large school district remains responsible for utilities.

Existing law requires the superintendent of schools of a large school district to assign a school associate superintendent to oversee local school precincts, but prohibits such a person from being assigned to oversee more than 25 local school precincts. (NRS 388G.620) Section [11] 1.5 of this bill removes this prohibition, therefore authorizing a school associate superintendent to oversee more than 25 local school precincts.

Existing law requires the superintendent of schools of a large school district to annually make certain estimates regarding the funding received by the school district and to estimate the amount of money that will be allocated to the local school precincts for the next school year. Existing law prescribes certain money of the large school district as restricted and requires the amount allocated to the local school precincts be a certain percentage of the total amount of unrestricted money of the large school district. (NRS 388G.660) Section 2.5 of this bill classifies as restricted the money that is necessary for a large school district to carry out the responsibilities that are not transferred to

the local school precinct and increases the percentage of the unrestricted money to be allocated to the local school precincts from 85 percent to 90 percent.

Existing law sets forth the manner in which a large school district is required to determine the allocation that will be made to each local school precinct, which must be on a per pupil basis. (NRS 388G.670) Existing law requires the superintendent of schools of a large school district to inform each local school precinct on or before January 15 of each year of the estimated amount of money that will be allocated to the local school precinct for the next school year, based upon: (1) for an existing local school precinct, the actual number of pupils who attended the local school precinct as reported during the previous calendar quarter; or (2) for a new local school precinct, the estimated number of pupils who will attend the new school and the effect on any existing local school precinct. (NRS 388G.680) For purposes of this allocation, section 3 of this bill changes the measure for determining the number of pupils for existing local school precincts from actual numbers to estimates by the large school district, which is the same measure as is used for determining the number of pupils for a new local school precinct.

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

Section 1. NRS 388G.610 is hereby amended to read as follows:

- 388G.610 1. Except as otherwise provided in this section, the superintendent shall transfer authority to each local school precinct to carry out responsibilities in accordance with this section and the plan of operation approved for the local school precinct.
- 2. The superintendent shall transfer to each local school precinct the authority to carry out the following responsibilities:
  - (a) Select for the local school precinct the:
    - (1) Teachers;
    - (2) Administrators other than the principal; and
    - (3) Other staff who work under the direct supervision of the principal.
- (b) Direct the supervision of the staff of the local school precinct, including, without limitation, taking any necessary disciplinary action which does not involve a violation of law or which does not require an investigation to comply with the law.
- (c) Procure such equipment, services and supplies as the local school precinct deems necessary or advisable to carry out the plan of operation for the local school precinct. Equipment, services and supplies may be procured from the large school district in which the local school precinct is located or elsewhere, but such procurement must be carried out in accordance with the applicable policies of the large school district.
- (d) Develop a balanced budget for the local school precinct for the use of the money allocated to the local school precinct, which must include, without limitation, the manner in which to expend any money not used for the purposes described in paragraphs (a), (b) and (c).

- (e) Any other responsibility for which authority is transferred pursuant to subsection 7.
- 3. Except as otherwise provided in subsection 7, a large school district shall remain responsible for paying for and carrying out all other responsibilities necessary for the operation of the local school precincts and the large school district which have not been transferred to the local school precincts pursuant to subsection 2, including, without limitation, responsibility for:
- (a) Negotiating the salaries, benefits and other conditions of employment of administrators, teachers and other staff necessary for the operation of the local school precinct;
  - (b) Transportation services;
  - (c) Food services:
  - (d) Risk management services;
  - (e) Financial services, including payroll services;
  - (f) Qualifying employees for any position within the large school district;
  - (g) Services to promote and ensure equity and diversity;
  - (h) Services to ensure compliance with all laws relating to civil rights;
- (i) Identification, evaluation, program placement, pupil assignment and other services provided to pupils pursuant to the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., and the regulations adopted pursuant thereto, or pursuant to section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and the regulations adopted pursuant thereto;
  - (j) Legal services;
  - (k) Maintenance and repair of buildings;
  - (l) Maintenance of the grounds of the local school precinct;
  - (m) Custodial services;
  - (n) Implementation of the master plan developed for English learners;
  - (o) Internal audits;
  - (p) Information technology services;
  - (q) Police services;
  - (r) Emergency management services;
  - (s) Carrying out state mandated assessments and accountability reports;

#### and

(t) Capital projects [.]; and

## (u) Utilities.

- 4. To the greatest extent possible, the principal of a local school precinct shall select teachers who are licensed and in good standing before selecting substitutes to teach at the local school precinct. The principal, in consultation with the organizational team, shall make every effort to ensure that effective licensed teachers are employed at the local school precinct.
- 5. If a large school district is unable to provide any necessary maintenance or repair of the buildings or grounds of a local school precinct in a timely manner, the large school district must, at the expense of the large school district, procure any equipment, services and supplies necessary from another

entity or business to provide such maintenance or repair for the local school precinct or take any other necessary action.

- 6. To the extent that any member of the staff of central services is assigned to provide services at a local school precinct on a temporary or permanent basis, the decision regarding the assignment and any subsequent reassignment of the member of the staff must be made in consultation with the principal of the local school precinct and the school associate superintendent.
- 7. On or before January 15 of each year, the superintendent shall determine, in consultation with the principals, school associate superintendents and organizational teams of each local school precinct, any additional authority that is not listed in subsection 2 to recommend transferring to one or more local school precincts. Such authority may include the authority to carry out any of the responsibilities listed in subsection 3 which is not prohibited by law, other than the responsibility for capital projects, if it is determined that transferring the authority will serve the best interests of the pupils. The recommendation to transfer authority to one or more local school precincts must be submitted for approval by the board of trustees of the large school district. The board of trustees of the large school district shall consider such a recommendation and determine whether to approve the transfer of additional authority at its next regularly scheduled meeting if submitted within 5 working days before the next regularly scheduled meeting and otherwise the recommendation shall be considered at the following meeting.
- 8. If the authority to carry out any responsibility is transferred to a local school precinct pursuant to subsection 7, the large school district must allocate additional money to the local school precinct in an amount equal to the amount that would otherwise be paid by the large school district to carry out the responsibility.
  - Sec. 1.5. NRS 388G.620 is hereby amended to read as follows:
- 388G.620 1. The superintendent shall assign a school associate superintendent to oversee [each] one or more local school [precinct. Each school associate superintendent must not be assigned to oversee more than 25 local school] precincts.
- 2. Whenever a vacancy occurs in the position of school associate superintendent, the superintendent shall post notice of the vacancy. The superintendent shall interview qualified candidates for the vacant position. At least one, but not more than two representatives of the principals of the local school precincts overseen by the vacant position must be allowed to participate in interviewing candidates for the vacant position. If the local governmental agency which has the most schools that are overseen by the vacant position is:
- (a) A city, the governing body of the city may appoint one representative to participate in interviewing candidates for the vacant position.
- (b) Not a city, the board of county commissioners for the county in which the large school district is located may appoint one representative to participate in interviewing candidates for the vacant position.

- 3. Each person who participates in interviewing candidates pursuant to subsection 2 shall comply with all laws that apply to an employer when making a decision about employment.
- 4. Upon completion of the interviews pursuant to subsection 2 and before the superintendent makes a final determination about which candidate to hire, the superintendent must notify the governing body of the city or the board of county commissioners for the county, as applicable, regarding the candidate whom the superintendent intends to hire. After receiving such notice, the governing body of the city or the board of county commissioners, as applicable, may hold a public meeting within 10 days to question the superintendent and the candidate for the vacant position and receive public input. After any such meeting or, if no such meeting is held, after 10 days, the superintendent shall, in his or her sole discretion, hire a candidate for the vacant position.
- 5. After the school associate superintendent is hired, the superintendent may, in his or her sole discretion, reassign and make other employment decisions concerning the school associate superintendent.
  - Sec. 2. (Deleted by amendment.)
  - Sec. 2.5. NRS 388G.660 is hereby amended to read as follows:
- 388G.660 1. On or before January 15 of each year, the superintendent shall establish for the next school year:
- (a) The estimated total amount of money to be received by the large school district from all sources, including any year-end balance that is carried forward, and shall identify the sources of such a year-end balance and whether the year-end balance is restricted. If the year-end balance is restricted, the superintendent shall identify the source of the restriction and the total of amount of money to be received by the large school district that is unrestricted. Money may only be identified as restricted if it <del>[isl]</del>:
  - (1) Is required by state or federal law [, if it is];
  - (2) Is proscribed by the Department :
- (3) Is necessary for the large school district to carry out its responsibilities pursuant to subsection 3 of NRS 388G.610; or [if it has]
  - (4) Has been otherwise encumbered.
- (b) The estimated percentage of the amount of money determined pursuant to paragraph (a) to be unrestricted that will be allocated to the local school precincts. The percentage must equal:
- (1) For the first school year in which the large school district operates pursuant to the provisions of NRS 388G.500 to 388G.810, inclusive, not less than 80 percent of the total amount of money from all sources received by the large school district that is unrestricted for the school year; [and]
- (2) For each subsequent school year  $\frac{1}{1+1}$  *until 2019*, 85 percent of the total amount of money from all sources received by the large school district that is unrestricted for the school year  $\frac{1}{1+1}$ ; *and*

- (3) For the school year beginning in 2019 and each subsequent school year, 90 percent of the total amount of money from all sources received by the large school district that is unrestricted for the school year.
- (c) The estimated amount of categorical funding to be received by the large school district and whether such funding is restricted in a manner that prohibits the large school district from including that categorical funding in the amount of funding per pupil that is allocated to the local school precincts.
- (d) The total estimated amount of money that will be allocated to each local school precinct as determined pursuant to NRS 388G.680.
- 2. The superintendent shall post the information established pursuant to subsection 1 on the Internet website of the large school district and make the information available to any person upon request.
  - Sec. 3. NRS 388G.680 is hereby amended to read as follows:
- 388G.680 1. On or before January 15 of each year, the superintendent shall inform each local school precinct of the estimated amount of money that will be allocated to the local school precinct for the next school year. The allocation must be based upon *estimates by the large school district of* the number of pupils in each category who *will* attend the local school precinct after applying the appropriate weight to each category of pupil as determined pursuant to NRS 388G.670.
- 2. [Except as otherwise provided in subsections 3 and 4, the number and category of pupils must be determined based upon the report of the pupils attending each local school precinct for the previous calendar quarter pursuant to NRS 387.1223.
- —3.] If an additional local school precinct is added in the large school district, for the purpose of determining the first allocation for the new local school precinct, the large school district must estimate the number of pupils in each category who will attend the new local school precinct and the effect on any existing local school precinct. If the opening of a new local school precinct is anticipated to reduce the number of pupils who will attend another local school precinct, for purposes of determining the allocation, the number of pupils must be adjusted accordingly.
- [4.] 3. The estimated amount of money allocated to each local school precinct for the next school year must be adjusted on or before November 1 of each year to reflect the actual number of pupils in each category who attend the local school precinct.
  - Sec. 4. This act becomes effective on July 1, 2019.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 546 to Senate Bill No. 469 classifies as restricted the money necessary for a large school district to carry out the responsibilities not transferred to the local school precinct and increases the percentage of the unrestricted money to be allocated to local precincts from 85 percent to 90 percent. The amendment also clarifies that the large school district remains responsible for paying for and carrying out utilities.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 485.

Bill read third time.

The following amendment was proposed by Senator Woodhouse:

Amendment No. 596.

SUMMARY—Revises provisions relating to the education of certain children from Nevada who are patients or residents of certain hospitals or facilities. [Hocated outside of this State.] (BDR 34-397)

AN ACT relating to education; <u>limiting the amount of reimbursement to which a hospital or other facility is entitled for educational services provided to certain pupils;</u> authorizing certain hospitals or other facilities licensed in the District of Columbia or another state or territory of the United States to request reimbursement, under certain circumstances, for providing educational services to children in their care; authorizing the Department of Education, the county school districts, charter schools and the Division of Public and Behavioral Health of the Department of Health and Human Services to enter into a cooperative agreement for the provision of educational services to children with certain hospitals or other facilities licensed in another jurisdiction; <u>making an appropriation</u>; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, certain hospitals and other facilities that provide residential treatment to children and also operate a licensed private school are authorized to request reimbursement from the Department of Education for the cost of providing educational services to a child who is verified to be a patient of the hospital or facility and attends the private school for more than 7 school days. Upon receiving such a request, the Department is required to determine the amount of reimbursement as a percentage of the basic support guarantee per pupil and withhold that amount from the school district or charter school where the child would attend school if the child were not in the hospital or facility. (NRS 387.1225) Existing law also authorizes the Department of Education, the county school districts, charter schools and the Division of Public and Behavioral Health of the Department of Health and Human Services to enter into a cooperative agreement for the provision of educational services at certain hospitals or other facilities that are licensed by the Division. (NRS 277.0655)

Section 1 of this bill limits the number of days of instruction per year for which a hospital or facility is entitled to reimbursement to the number of days of instruction in 1 school year. Section 1 also authorizes certain hospitals and other facilities licensed in the District of Columbia or another state or territory of the United States that provide residential treatment to children who are residents of Nevada and operate an accredited educational program for those children to also seek reimbursement from the Department of Education for the

cost of providing such educational services. Section 1 additionally requires a hospital or facility that provides educational services to a pupil with disabilities to comply with applicable federal and state law concerning the education of pupils with disabilities to receive reimbursement. Section 2 of this bill authorizes the Department of Education, the county school districts, charter schools and the Division of Public and Behavioral Health of the Department of Health and Human Services to enter into a cooperative agreement for the provision of educational services at certain hospitals or other facilities that are licensed in another jurisdiction, provide residential treatment to children and operate an accredited educational program. Section 2.5 of this bill makes an appropriation to pay for the cost of auditing hospitals and facilities that receive reimbursement from the Department of Education for educational services to ensure compliance with applicable law.

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

Section 1. NRS 387.1225 is hereby amended to read as follows:

- 387.1225 1. A hospital or other facility which is licensed by the Division of Public and Behavioral Health of the Department of Health and Human Services that provides residential treatment to children and which operates a private school licensed pursuant to chapter 394 of NRS may request reimbursement from the Department for the cost of providing educational services to a child who:
- (a) The Department verifies is a patient or resident of the hospital or facility; and
  - (b) Attends the private school for more than 7 school days.
- 2. A hospital or other facility licensed in the District of Columbia or any state or territory of the United States that provides residential treatment and which operates an [accredited] educational program accredited by a national organization and approved by the Department of Education may request reimbursement from the Department [of Education] for the cost of providing educational services to a child who:
  - (a) The Department verifies:
    - (1) Is a patient or resident of the hospital or facility; and
    - (2) Is a resident of this State;
- (b) Is admitted to the hospital or facility on an order from a physician because the necessary treatment required for the child is not available in this State; {and}
- (d) Is not homeschooled or enrolled in a private school; and
- (e) Has been admitted to the medical facility under the order of a physician to receive medically necessary treatment for a medical or mental health condition with which the child has been diagnosed.
- 3. A hospital or other facility that wishes to receive reimbursement pursuant to subsection 2 shall:

- (a) Notify the school district or charter school in which the child is enrolled upon admitting the child to the accredited educational program; and
- (b) Transfer any educational records of the child to the school district or charter school in which the child is enrolled in accordance with any applicable regulations adopted pursuant to subsection 7.
- 4. Upon receiving a request for reimbursement [] pursuant to subsection 1 or 2, the Department shall determine the amount of reimbursement to which the hospital or facility is entitled as a percentage of the basic support guarantee per pupil and withhold that amount from the school district or charter school where the child would attend school if the child were not placed in the hospital or facility. If the request for reimbursement is made pursuant to subsection 1. [Amd] the child is a pupil with a disability [] and the hospital or facility is in compliance with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., NRS 388.417 to 388.5243, inclusive, and any regulations adopted pursuant thereto, the hospital or facility is also entitled to a corresponding percentage of the statewide multiplier included in the basic support guarantee per pupil pursuant to NRS 387.122. The Department shall distribute the money withheld from the school district or charter school to the hospital or facility.
- [3.-4.] 5. For the purposes of subsection [2,-3.] 4, the amount of reimbursement to which the hospital or facility is entitled must be calculated on the basis of the number of school days the child is a patient or resident of the hospital or facility and attends the private school [.] or accredited educational program, as applicable, excluding the 7 school days prescribed in paragraph (b) of subsection 1 [.] or paragraph (c) of subsection 2, as applicable, in proportion to the number of days of instruction scheduled for that school year by the board of trustees of the school district or the charter school, as applicable.
- [4.-5.] 6. A hospital or other facility is not entitled to reimbursement for days of instruction provided to a child in a year in excess of the minimum number of days of free school required by NRS 388.090.
- 7. If a hospital or other facility requests reimbursement from the Department for the cost of providing educational services to a pupil with a disability pursuant to subsection 1 or 2, the school district or charter school in which the child is enrolled shall be deemed to be the local educational agency for the child for the purposes of the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., NRS 388.417 to 388.5243, inclusive, and any regulations adopted pursuant thereto.
- <u>8.</u> The Department shall adopt any regulations necessary to carry out the provisions of this section  $\frac{1}{4}$
- -5.-6.1, which may include, without limitation, regulations to:
- (a) Prescribe a procedure for the transfer of educational records pursuant to subsection 3;

- (b) Carry out or ensure compliance with the requirements of subsection 4 concerning reimbursement for educational services provided to a pupil with a disability; and
- (c) Require the auditing of a hospital or other facility that requests reimbursement pursuant to this section to ensure compliance with any applicable provisions of federal or state law.
- 9. The provisions of this section must not be construed to authorize reimbursement pursuant to this section of a hospital or facility for the cost of health care services provided to a child.
- 10. As used in this section:
- (a) "Hospital" has the meaning ascribed to it in NRS 449.012.
- (b) "Private school" has the meaning ascribed to it in NRS 394.103.
- Sec. 2. NRS 277.0655 is hereby amended to read as follows:
- 277.0655 1. The Department of Education, the county school districts of the various counties, charter schools and the Division of Public and Behavioral Health of the Department of Health and Human Services may enter into cooperative agreements for the provision of educational services at any hospital or other facility which is licensed [by]:
- (a) By the Division that provides residential treatment to children and which operates a private school licensed pursuant to chapter 394 of NRS  $\{\cdot,\cdot\}$ ; or
- (b) In the District of Columbia or any state or territory of the United States that:
- (1) Meets the requirements of 42 C.F.R. §§ 441.151 to 441.156, inclusive;
  - (2) Provides residential treatment to children; and
- (3) Operates an <del>[accredited]</del> educational program <del>[.]</del> <u>accredited by a national organization and approved by the Department of Education.</u>
- 2. The authorization provided by subsection 1 includes the right to pay over money appropriated to a county school district or charter school for the education of a child placed in such a hospital or facility.
- 3. As used in this section, "hospital" has the meaning ascribed to it in NRS 449.012.
- Sec. 2.5. <u>1. There is hereby appropriated from the State General Fund</u> to the Department of Education:
- (a) Forty thousand dollars for virtual auditing of hospitals or other licensed facilities that receive reimbursement for educational services pursuant to NRS 387.1225, as amended by section 1 of this act.
- (b) Seventy two thousand dollars for in-person auditing of hospitals or other licensed facilities that receive reimbursement for educational services pursuant to NRS 387.1225, as amended by section 1 of this act.
- 2. Any remaining balance of the appropriation made by this section must not be committed for expenditure after June 30, 2021, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after

September 17, 2021, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2021.

### Sec. 3. This act becomes effective:

- 1. Upon passage and approval for the purposes of entering into cooperative agreements pursuant to section 2 of this act, adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - 2. On July 1, 2019, for all other purposes.

Senator Woodhouse moved the adoption of the amendment.

Remarks by Senator Woodhouse.

Amendment No. 596 to Senate Bill No. 485 clarifies in section 1 that an educational program provided by a hospital or other facility licensed in the District of Columbia or any state or territory of the United States that provides residential treatment, must be accredited by a national organization and approved by the State Department of Education. It also clarifies a child for whom a reimbursement may be requested may not be home-schooled or enrolled in a private school. It clarifies the child must be admitted to the medical facility under the order of a physician to receive medically necessary treatment for a medical or mental-health condition for which the child has been diagnosed.

It also requires the hospital or other facility to notify the school district or charter school upon admitting the child to the accredited educational program and requires the hospital or other facility to transfer any educational records of the child to the school district or charter school in which the child is enrolled in accordance with any applicable regulations adopted. It also clarifies that to be eligible for reimbursement of a corresponding percentage of the Statewide multiplier included in the basic support guarantee per pupil, if the pupil is a child with a disability, the hospital or other facility must comply with the federal Individuals with Disabilities Education Act and any adopted regulations.

It limits the number of days of instruction per year for which a hospital or other facility is entitled for reimbursement to the number of days of instruction in the school year. It clarifies if a hospital or other facility requests reimbursement from the Department for the cost of providing educational services to a child with a disability, the school district or charter school in which the child is enrolled shall be deemed the local educational agency for purposes of the federal Individuals with Disabilities Education Act and any adopted regulations.

It clarifies the regulations adopted by the Department may prescribe the procedure for the transfer of educational records; ensure compliance with the requirements concerning the reimbursement for educational services provided to a child with a disability, and require the Department to audit a hospital or other facility that requests reimbursement to ensure compliance with any applicable provisions of federal or State law.

Finally, it clarifies the provisions of section 1 must not be construed to authorize reimbursement to a hospital or other facility for the cost of health-care services provided to the child. In section 2, it clarifies that in order to be eligible for reimbursement, a hospital or other facility must operate an educational program accredited by a national organization and approved by the State Department of Education. In section 2.5, it makes an appropriation over the 2019-2021 biennium, to the Department of Education of \$40,000 for virtual auditing and \$72,000 for in-person auditing of hospitals or other facilities that receive reimbursement for educational services.

I urge your support of this amendment. Over the weekend, a number of stakeholders have worked hard on this amendment to make this piece of legislation work. We have been trying for three legislative Sessions to solve this, and I hope this will get us where we want to be. I appreciate your support.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, re-engrossed and to the Committee on Finance.

Senate Bill No. 496.

Bill read third time.

Remarks by Senator Harris.

Senate Bill No. 496 authorizes a holder of a certificate of public convenience and necessity to operate a limousine in a county whose population is over 700,000 to lease a limousine to an independent contractor who is not a certificate holder, upon approval of the Nevada Transportation Authority. A certificate holder who enters into a lease agreement with an independent contractor may lease only one limousine during any one, 24-hour period. An independent contractor operating a limousine must charge and collect the technology fee and remit the fee to the Authority.

Roll call on Senate Bill No. 496:

YEAS—21.

NAYS—None.

Senate Bill No. 496 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senator Cannizzaro moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 4:05 p.m.

## SENATE IN SESSION

At 4:44 p.m.

President Marshall presiding.

Quorum present.

#### REPORTS OF COMMITTEE

#### Madam President:

Your Committee on Judiciary, to which were referred Senate Bills Nos. 155, 392, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

NICOLE J. CANNIZZARO, Chair

### Madam President:

Your Committee on Revenue and Economic Development, to which was referred Senate Bill No. 81, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARILYN DONDERO LOOP. Chair

#### MOTIONS. RESOLUTIONS AND NOTICES

Senator Denis moved that Senate Bill No. 99 be taken the Second Reading File and placed on the Second Reading File on the fifth Agenda.

Motion carried.

### SECOND READING AND AMENDMENT

Senate Bill No. 8.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 188.

SUMMARY—Revises provisions governing the conditions for lifetime supervision of sex offenders. (BDR 16-408)

AN ACT relating to sex offenders; revising provisions governing sex offenders who are under a program of lifetime supervision; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth certain conditions to be imposed on sex offenders placed under a program of lifetime supervision or released on parole, probation or a suspended sentence. (NRS 176A.410, 213.1243, 213.1245, 213.1255) In McNeill v. State, 132 Nev. Adv. Op. 54, 375 P.3d 1022 (2016), the Nevada Supreme Court held that the State Board of Parole Commissioners does not have the authority to impose conditions that are not enumerated in NRS 213.1243 on sex offenders under a program of lifetime supervision. This bill authorizes the Board to establish additional conditions for sex offenders under a program of lifetime supervision that are similar to those placed on sex offenders released on parole, probation or a suspended sentence. This bill also provides that for purposes of prosecution of a violation of a condition imposed upon such offenders: (1) the violation shall be deemed to have occurred in the county that imposed the sentence of lifetime supervision, and may only be prosecuted therein, if the violation occurred outside this State; or (2) the violation shall be deemed to have occurred in the county in which the violation occurred, and may only be prosecuted therein, if the violation occurred in this State.

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

Section 1. NRS 213.1243 is hereby amended to read as follows:

- 213.1243 1. The Board shall establish by regulation a program of lifetime supervision of sex offenders to commence after any period of probation or any term of imprisonment and any period of release on parole. The program must provide for the lifetime supervision of sex offenders by parole and probation officers.
  - 2. Lifetime supervision shall be deemed a form of parole for:
- (a) The limited purposes of the applicability of the provisions of NRS 213.1076, subsection 9 of NRS 213.1095, NRS 213.1096 and subsection 2 of NRS 213.110; and
- (b) The purposes of the Interstate Compact for Adult Offender Supervision ratified, enacted and entered into by the State of Nevada pursuant to NRS 213.215.

- 3. Except as otherwise provided in subsection 9, the Board shall require as a condition of lifetime supervision that the sex offender reside at a location only if:
- (a) The residence has been approved by the parole and probation officer assigned to the person.
- (b) If the residence is a facility that houses more than three persons who have been released from prison, the facility is a facility for transitional living for released offenders that is licensed pursuant to chapter 449 of NRS.
- (c) The person keeps the parole and probation officer informed of his or her current address.
- 4. Except as otherwise provided in subsection 9, the Board shall require as a condition of lifetime supervision that the sex offender, unless approved by the parole and probation officer assigned to the sex offender and by a psychiatrist, psychologist or counselor treating the sex offender, if any, not knowingly be within 500 feet of any place, or if the place is a structure, within 500 feet of the actual structure, that is designed primarily for use by or for children, including, without limitation, a public or private school, a school bus stop, a center or facility that provides day care services, a video arcade, an amusement park, a playground, a park, an athletic field or a facility for youth sports, or a motion picture theater. The provisions of this subsection apply only to a sex offender who is a Tier 3 offender.
- 5. Except as otherwise provided in subsection 9, if a sex offender is convicted of a sexual offense listed in subsection 6 of NRS 213.1255 against a child under the age of 14 years, the sex offender is a Tier 3 offender and the sex offender is sentenced to lifetime supervision, the Board shall require as a condition of lifetime supervision that the sex offender:
- (a) Reside at a location only if the residence is not located within 1,000 feet of any place, or if the place is a structure, within 1,000 feet of the actual structure, that is designed primarily for use by or for children, including, without limitation, a public or private school, a school bus stop, a center or facility that provides day care services, a video arcade, an amusement park, a playground, a park, an athletic field or a facility for youth sports, or a motion picture theater.
- (b) As deemed appropriate by the Chief, be placed under a system of active electronic monitoring that is capable of identifying his or her location and producing, upon request, reports or records of his or her presence near or within a crime scene or prohibited area or his or her departure from a specified geographic location.
- (c) Pay any costs associated with his or her participation under the system of active electronic monitoring, to the extent of his or her ability to pay.
- 6. A sex offender placed under the system of active electronic monitoring pursuant to subsection 5 shall:
- (a) Follow the instructions provided by the Division to maintain the electronic monitoring device in working order.

- (b) Report any incidental damage or defacement of the electronic monitoring device to the Division within 2 hours after the occurrence of the damage or defacement.
- (c) Abide by any other conditions set forth by the Division with regard to his or her participation under the system of active electronic monitoring.
- 7. Except as otherwise provided in this subsection, a person who intentionally removes or disables or attempts to remove or disable an electronic monitoring device placed on a sex offender pursuant to this section is guilty of a gross misdemeanor. The provisions of this subsection do not prohibit a person authorized by the Division from performing maintenance or repairs to an electronic monitoring device.
- 8. Except as otherwise provided in subsection 7, a sex offender who commits a violation of a condition imposed on him or her pursuant to the program of lifetime supervision is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.
- 9. The Board is not required to impose a condition pursuant to the program of lifetime supervision listed in subsections 3, 4 and 5 if the Board finds that extraordinary circumstances are present and the Board states those extraordinary circumstances in writing.
- 10. The Board shall require as a condition of lifetime supervision that the sex offender not have contact or communicate with a victim of the sexual offense or a witness who testified against the sex offender or solicit another person to engage in such contact or communication on behalf of the sex offender, unless approved by the Chief or his or her designee and a written agreement is entered into and signed.
- 11. The Board may <u>after making a finding for each condition</u>, require as a condition of lifetime supervision, in addition to any other condition imposed pursuant to this section, that the sex offender:
- (a) Submit to a search and seizure of the sex offender's person, residence or vehicle or any property under the sex offender's control, at any time of the day or night, without a warrant, by any parole and probation officer or any peace officer, for the purpose of determining whether the sex offender has violated any condition of lifetime supervision or committed any crime.
- (b) Accept a position of employment or a position as a volunteer only if it has been approved by the parole and probation officer assigned to the sex offender and keep the parole and probation officer informed of the location of the sex offender's position of employment or position as a volunteer.
- (c) Abide by any curfew imposed by the parole and probation officer assigned to the sex offender.
- (d) Participate in and complete a program of professional counseling approved by the Division.

- (e) Submit to periodic tests, as requested by the parole and probation officer assigned to the sex offender, to determine whether the sex offender is using a controlled substance.
- (f) {Submit to periodic polygraph examinations, as requested by the parole and probation officer assigned to the sex offender.
- $\frac{-(g)!}{}$  Abstain from consuming, possessing or having under the sex offender's control any alcohol  $\frac{1}{}$  or marijuana.
- $\frac{\{(h)\}}{\{g\}}$  Not use aliases or fictitious names.
- [ (i) Not obtain a post office box unless the sex offender receives permission from the]
- (h) Inform the parole and probation officer assigned to the sex offender [...] of any post office box used by the sex offender;
- f(j) (i) Not fhave contact visit or interact with a person less than 18 years of age fin a secluded environment unless another adult who has never been convicted of a sexual offense is present and permission has been obtained from the parole and probation officer assigned to the sex offender in advance of each such feontact. visitation or interaction.
- $\frac{f(k)}{f(k)}$  (j) Comply with any protocol concerning the use of prescription medication prescribed by a treating physician, including, without limitation, any protocol concerning the use of psychotropic medication.
- f(l) (k) Not possess any sexually explicit material that is fdeemed inappropriate by the parole and probation officer assigned to the sex offender.] harmful to minors as defined in NRS 201.257.
- f(m)} (l) Not enter, visit or patronize fa business} an establishment which offers a sexually related form of entertainment fand which is deemed inappropriate by the parole and probation officer assigned to the sex offender.

  (n)} as its primary business;
- <u>(m)</u> Not possess any electronic device capable of accessing the Internet and not access the Internet through any such device or any other means, unless [possession of]:
- (1) The sex offender installs a device or subscribes to a service which enables the parole and probation officer assigned to the sex offender to regulate the sex offender's use of the Internet [such a device or such access is approved by the parole and probation officer assigned to the sex offender.]; and
- (2) The Board states in writing the circumstances for imposing such a condition.
- [(o)] (n) Inform the parole and probation officer assigned to the sex offender if the sex offender expects to be or becomes enrolled as a student at an institution of higher education or changes the date of commencement or termination of the sex offender's enrollment at an institution of higher education. As used in this paragraph, "institution of higher education" has the meaning ascribed to it in NRS 179D.045.
- (o) Comply with any condition to report in person as imposed by the parole and probation officer assigned to the sex offender.

- 12. If a court issues a warrant for arrest for a violation of this section, the court shall cause to be transmitted, in the manner prescribed by the Central Repository for Nevada Records of Criminal History, notice of the issuance of the warrant for arrest in a manner which ensures that such notice is received by the Central Repository within 3 business days.
- [12.] 13. For the purposes of prosecution of a violation by a sex offender of a condition imposed upon him or her pursuant to the program of lifetime supervision  $\frac{1}{12}$ :
- (a) In which the violation occurred outside this State, the violation shall be deemed to have occurred in, and may only be prosecuted in, the county in which the court that imposed the sentence of lifetime supervision pursuant to NRS 176.0931 is located, regardless of whether the acts or conduct constituting the violation took place, in whole or in part, [within or] outside that county or [within or] outside this State [:]; or
- (b) In which the violation occurred within this State, the violation shall be deemed to have occurred in, and may only be prosecuted in, the county in which the violation occurred.
- Sec. 2. The amendatory provisions of this act apply to a person who is placed under a program of lifetime supervision before, on or after the effective date of this act.
  - Sec. 3. This act becomes effective upon passage and approval.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senator Cannizzaro.

Amendment No. 188 to Senate Bill No. 8 narrows ambiguous language and removes subjective conditions of supervision which may have resulted in inconsistent enforcement; clarifies terms related to prohibited sexually-explicit material and entertainment, and clarifies jurisdiction to adjudicate violations by sex offenders depending upon whether they are being supervised within or outside of Nevada.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 73.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 187.

SUMMARY—Revises provisions relating to <del>[mobile]</del> gaming. (BDR 41-343)

AN ACT relating to gaming; revising the definition of "gaming device" to include mobile gaming; removing or repealing certain provisions relating to mobile gaming; revising certain provisions relating to publicly traded corporations registered with the Nevada Gaming Commission; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Nevada Gaming Commission and the Nevada Gaming Control Board to administer state gaming licenses and manufacturer's, seller's and distributor's licenses, and to reform various acts relating to the

regulation and control of gaming. (NRS 463.140) Existing law authorizes the Commission, with the advice and assistance of the Board, to adopt regulations governing the operation and licensing of mobile gaming. (NRS 463.730) Existing law defines "mobile gaming" as the conduct of gambling games through communication devices operated solely within certain establishments holding a nonrestricted gaming license that permits a person to transfer information to a computer in order to place a bet or wager, and respective information related to the display of the game, game outcomes or other comparable information. (NRS 463.0176) Existing law defines "gaming device" as any object used remotely or directly in connection with gaming, or any other game that affects the results of a wager by determining win or loss but which does not qualify as associated equipment. (NRS 463.0155) Section 2 of this bill revises the definition of "gaming device" to include mobile gaming, thereby making mobile gaming subject to the same regulation and control as a gaming device. Sections [1] 1.7, [and] 3-10, 11-19 and 20 of this bill remove or repeal all provisions with individual references to mobile gaming. Section 19.5 exempts from the amendatory provisions of sections 5, 7, 8, 10, 18 and 19 certain persons with a nonrestricted license for a mobile gaming system or such a license for the operation of a mobile gaming system, persons who acquire a financial interest in such a system or a successor in interest of such a person who acquired a financial interest.

Existing law requires certain persons to apply for and obtain a finding of suitability from the Nevada Gaming Commission if the person acquires, under certain circumstances: (1) beneficial ownership of any voting security of a publicly traded corporation registered with the Commission; (2) beneficial or record ownership of any nonvoting security of a publicly traded corporation registered with the Commission; or (3) beneficial or record ownership of any debt security of a publicly traded corporation registered with the Commission. (NRS 463.643) Section 10.8 of this bill requires certain persons to notify the Chair of the Board and apply for a finding of suitability with the Commission if such a person acquires or holds a certain percentage of any class of voting securities of a publicly traded corporation registered with the Commission. Section 10.8 also requires certain persons to notify the Chair and apply for a finding of suitability with the Commission if such a person obtains beneficial ownership in such a publicly traded corporation and the person has the intent to engage in certain proscribed activities, except that certain persons who acquire less than a 10 percent beneficial ownership in such a corporation through a pension are not subject to the notification and application requirements. Sections 1.3, 1.5 and 10.2-10.6 make conforming changes.

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

- Section 1. Chapter 463 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 and 1.5 of this act.
- Sec. 1.3. <u>1. "Pension" means an employee pension or benefit plan</u> subject to the Employee Retirement Income Security Act of 1974 or a state or

## federal government pension plan.

- 2. The term does not include an employee pension or benefit plan established by a publicly traded corporation that is registered with the Commission.
  - Sec. 1.5. "Proscribed activity" means:
- 1. An activity that necessitates a change or amendment to the corporate charter, bylaws, management, policies or operation of a publicly traded corporation that is registered with the Commission;
- 2. An activity that materially influences or affects the affairs of a publicly traded corporation that is registered with the Commission; or
- 3. Any other activity determined by the Commission to be inconsistent with holding voting securities for investment purposes only.

[Section 1.] Sec. 1.7. NRS 463.0136 is hereby amended to read as follows:

463.0136 "Associated equipment" means:

- 1. Any equipment or mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming, {or mobile gaming,} any game, race book or sports pool that would not otherwise be classified as a gaming device, including dice, playing cards, links which connect to progressive slot machines, equipment which affects the proper reporting of gross revenue, computerized systems of betting at a race book or sports pool, computerized systems for monitoring slot machines and devices for weighing or counting money; or
- 2. A computerized system for recordation of sales for use in an area subject to the tax imposed pursuant to NRS 368A.200.
  - Sec. 2. NRS 463.0155 is hereby amended to read as follows:
- 463.0155 "Gaming device" means any object used remotely or directly in connection with gaming or any game which affects the result of a wager by determining win or loss and which does not otherwise constitute associated equipment. The term includes, without limitation:
  - 1. A slot machine.
  - 2. Mobile gaming.
  - 3. A collection of two or more of the following components:
- (a) An assembled electronic circuit which cannot be reasonably demonstrated to have any use other than in a slot machine;
- (b) A cabinet with electrical wiring and provisions for mounting a coin, token or currency acceptor and provisions for mounting a dispenser of coins, tokens or anything of value;
- (c) An assembled mechanical or electromechanical display unit intended for use in gambling; or
- (d) An assembled mechanical or electromechanical unit which cannot be demonstrated to have any use other than in a slot machine.
- [3.] 4. Any object which may be connected to or used with a slot machine to alter the normal criteria of random selection or affect the outcome of a game.

- [4.] 5. A system for the accounting or management of any game in which the result of the wager is determined electronically by using any combination of hardware or software for computers.
  - [5.] 6. A control program.
- [6.] 7. Any combination of one of the components set forth in paragraphs (a) to (d), inclusive, of subsection [2] 3 and any other component which the Commission determines by regulation to be a machine used directly or remotely in connection with gaming or any game which affects the results of a wager by determining a win or loss.
- [7.] 8. Any object that has been determined to be a gaming device pursuant to regulations adopted by the Commission.
  - 9. As used in this section [, "control]:
- (a) "Control program" means any software, source language or executable code which affects the result of a wager by determining win or loss as determined pursuant to regulations adopted by the Commission.
- (b) "Mobile gaming" means the conduct of gambling games through communications devices operated solely in an establishment which holds a nonrestricted gaming license and which operates at least 100 slot machines and at least one other game by the use of communications technology that allows a person to transmit information to a computer to assist in the placing of a bet or wager and corresponding information related to the display of the game, game outcomes or other similar information. For the purposes of this paragraph, "communications technology" means any method used and the components employed by an establishment to facilitate the transmission of information, including, without limitation, transmission and reception by systems based on wireless network, wireless fidelity, wire, cable, radio, microwave, light, optics or computer data networks. The term does not include the Internet.
  - Sec. 3. NRS 463.0157 is hereby amended to read as follows:
- 463.0157 1. "Gaming employee" means any person connected directly with an operator of a slot route, the operator of a pari-mutuel system, the operator of an inter-casino linked system or a manufacturer, distributor or disseminator, or with the operation of a gaming establishment licensed to conduct any game, 16 or more slot machines, a race book, sports pool or pari-mutuel wagering, including:
- (a) Accounting or internal auditing personnel who are directly involved in any recordkeeping or the examination of records associated with revenue from gaming;
  - (b) Boxpersons;
  - (c) Cashiers;
  - (d) Change personnel;
  - (e) Counting room personnel;
  - (f) Dealers;

- (g) Employees of a person required by NRS 464.010 to be licensed to operate an off-track pari-mutuel system;
- (h) Employees of a person required by NRS 463.430 to be licensed to disseminate information concerning racing and employees of an affiliate of such a person involved in assisting the person in carrying out the duties of the person in this State;
- (i) Employees whose duties are directly involved with the manufacture, repair, sale or distribution of gaming devices, associated equipment when the employer is required by NRS 463.650 to be licensed, cashless wagering systems [, mobile gaming systems, equipment associated with mobile gaming systems] or interactive gaming systems;
- (j) Employees of operators of slot routes who have keys for slot machines or who accept and transport revenue from the slot drop;
- (k) Employees of operators of inter-casino linked systems <del>[, mobile gaming systems]</del> or interactive gaming systems whose duties include the operational or supervisory control of the systems or the games that are part of the systems;
- (l) Employees of operators of call centers who perform, or who supervise the performance of, the function of receiving and transmitting wagering instructions;
- (m) Employees who have access to the Board's system of records for the purpose of processing the registrations of gaming employees that a licensee is required to perform pursuant to the provisions of this chapter and any regulations adopted pursuant thereto;
  - (n) Floorpersons;
- (o) Hosts or other persons empowered to extend credit or complimentary services;
  - (p) Keno runners;
  - (q) Keno writers;
  - (r) Machine mechanics;
  - (s) Odds makers and line setters;
  - (t) Security personnel;
  - (u) Shift or pit bosses;
  - (v) Shills;
  - (w) Supervisors or managers;
  - (x) Ticket writers;
- (y) Employees of a person required by NRS 463.160 to be licensed to operate an information service;
- (z) Employees of a licensee who have local access and provide management, support, security or disaster recovery services for any hardware or software that is regulated pursuant to the provisions of this chapter and any regulations adopted pursuant thereto; and
- (aa) Temporary or contract employees hired by a licensee to perform a function related to gaming.

- 2. "Gaming employee" does not include barbacks or bartenders whose duties do not involve gaming activities, cocktail servers or other persons engaged exclusively in preparing or serving food or beverages.
- 3. As used in this section, "local access" means access to hardware or software from within a licensed gaming establishment, hosting center or elsewhere within this State.
  - Sec. 4. NRS 463.01715 is hereby amended to read as follows:
  - 463.01715 1. "Manufacture" means:
- (a) To manufacture, produce, program, design, control the design of or make modifications to a gaming device, associated equipment, cashless wagering system [, mobile gaming system] or interactive gaming system for use or play in Nevada;
- (b) To direct or control the methods and processes used to design, develop, program, assemble, produce, fabricate, compose and combine the components and other tangible objects of any gaming device, associated equipment, cashless wagering system [, mobile gaming system] or interactive gaming system for use or play in Nevada;
- (c) To assemble, or control the assembly of, a gaming device, associated equipment, cashless wagering system [, mobile gaming system] or interactive gaming system for use or play in Nevada; or
- (d) To assume responsibility for any action described in paragraph (a), (b) or (c).
  - 2. As used in this section:
  - (a) "Assume responsibility" means to:
- (1) Acquire complete control over, or ownership of, the applicable gaming device, associated equipment, cashless wagering system [, mobile gaming system] or interactive gaming system; and
- (2) Accept continuing legal responsibility for the gaming device, associated equipment, cashless wagering system [, mobile gaming system] or interactive gaming system, including, without limitation, any form of manufacture performed by an affiliate or independent contractor.
- (b) "Independent contractor" means, with respect to a manufacturer, any person who:
  - (1) Is not an employee of the manufacturer; and
- (2) Pursuant to an agreement with the manufacturer, designs, develops, programs, produces or composes a control program used in the manufacture of a gaming device. As used in this subparagraph, "control program" has the meaning ascribed to it in NRS 463.0155.
  - Sec. 5. NRS 463.0177 is hereby amended to read as follows:
  - 463.0177 "Nonrestricted license" or "nonrestricted operation" means:
- 1. A state gaming license for, or an operation consisting of, 16 or more slot machines;
- 2. A license for, or operation of, any number of slot machines together with any other game, gaming device, race book or sports pool at one establishment;

- 3. A license for, or the operation of, a slot machine route; or
- 4. A license for, or the operation of, an inter-casino linked system. [; or
- 5. A license for, or the operation of, a mobile gaming system.
  - Sec. 6. NRS 463.160 is hereby amended to read as follows:
- 463.160 1. Except as otherwise provided in subsection 4 and NRS 463.172, it is unlawful for any person, either as owner, lessee or employee, whether for hire or not, either solely or in conjunction with others:
- (a) To deal, operate, carry on, conduct, maintain or expose for play in the State of Nevada any gambling game, gaming device, inter-casino linked system, [mobile gaming system,] slot machine, race book or sports pool;
  - (b) To provide or maintain any information service;
  - (c) To operate a gaming salon;
- (d) To receive, directly or indirectly, any compensation or reward or any percentage or share of the money or property played, for keeping, running or carrying on any gambling game, slot machine, gaming device, {mobile gaming system,} race book or sports pool;
- (e) To operate as a cash access and wagering instrument service provider; or
- (f) To operate, carry on, conduct, maintain or expose for play in or from the State of Nevada any interactive gaming system,
- without having first procured, and thereafter maintaining in effect, all federal, state, county and municipal gaming licenses as required by statute, regulation or ordinance or by the governing board of any unincorporated town.
- 2. The licensure of an operator of an inter-casino linked system is not required if:
- (a) A gaming licensee is operating an inter-casino linked system on the premises of an affiliated licensee; or
- (b) An operator of a slot machine route is operating an inter-casino linked system consisting of slot machines only.
- 3. Except as otherwise provided in subsection 4, it is unlawful for any person knowingly to permit any gambling game, slot machine, gaming device, inter-casino linked system, [mobile gaming system,] race book or sports pool to be conducted, operated, dealt or carried on in any house or building or other premises owned by the person, in whole or in part, by a person who is not licensed pursuant to this chapter, or that person's employee.
- 4. The Commission may, by regulation, authorize a person to own or lease gaming devices for the limited purpose of display or use in the person's private residence without procuring a state gaming license.
- 5. For the purposes of this section, the operation of a race book or sports pool includes making the premises available for any of the following purposes:
- (a) Allowing patrons to establish an account for wagering with the race book or sports pool;
  - (b) Accepting wagers from patrons;
  - (c) Allowing patrons to place wagers;
  - (d) Paying winning wagers to patrons; or

- (e) Allowing patrons to withdraw cash from an account for wagering or to be issued a ticket, receipt, representation of value or other credit representing a withdrawal from an account for wagering that can be redeemed for cash,
- whether by a transaction in person at an establishment or through mechanical means, such as a kiosk or similar device, regardless of whether that device would otherwise be considered associated equipment. A separate license must be obtained for each location at which such an operation is conducted.
- 6. As used in this section, "affiliated licensee" has the meaning ascribed to it in NRS 463.430.
  - Sec. 7. NRS 463.1605 is hereby amended to read as follows:
- 463.1605 1. Except as otherwise provided in subsection 3, the Commission shall not approve a nonrestricted license, other than for the operation of a [mobile gaming system,] race book or sports pool at an establishment which holds a nonrestricted license to operate both gaming devices and a gambling game, for an establishment in a county whose population is 100,000 or more unless the establishment is a resort hotel.
- 2. A county, city or town may require resort hotels to meet standards in addition to those required by this chapter as a condition of issuance of a gaming license by the county, city or town.
- 3. The Commission may approve a nonrestricted license for an establishment which is not a resort hotel at a new location if:
- (a) The establishment was acquired or displaced pursuant to a redevelopment project undertaken by an agency created pursuant to chapter 279 of NRS in accordance with a final order of condemnation entered before June 17, 2005; or
- (b) The establishment was acquired or displaced pursuant to a redevelopment project undertaken by an agency created pursuant to chapter 279 of NRS in accordance with a final order of condemnation entered on or after June 17, 2005, and the new location of the establishment is within the same redevelopment area as the former location of the establishment.
  - Sec. 8. NRS 463.245 is hereby amended to read as follows:
  - 463.245 1. Except as otherwise provided in this section:
- (a) All licenses issued to the same person, including a wholly owned subsidiary of that person, for the operation of any game, including a sports pool or race book, which authorize gaming at the same establishment must be merged into a single gaming license.
- (b) A gaming license may not be issued to any person if the issuance would result in more than one licensed operation at a single establishment, whether or not the profits or revenue from gaming are shared between the licensed operations.
- 2. A person who has been issued a nonrestricted gaming license for an operation described in subsection 1 [,] or 2 [or 5] of NRS 463.0177 may establish a sports pool or race book on the premises of the establishment only after obtaining permission from the Commission.

- 3. A person who has been issued a license to operate a sports pool or race book at an establishment may be issued a license to operate a sports pool or race book at a second establishment described in subsection 1 or 2 of NRS 463.0177 only if the second establishment is operated by a person who has been issued a nonrestricted license for that establishment. A person who has been issued a license to operate a race book or sports pool at an establishment is prohibited from operating a race book or sports pool at:
  - (a) An establishment for which a restricted license has been granted; or
- (b) An establishment at which only a nonrestricted license has been granted for an operation described in subsection 3 or 4 of NRS 463.0177.
- 4. A person who has been issued a license to operate a race book or sports pool shall not enter into an agreement for the sharing of revenue from the operation of the race book or sports pool with another person in consideration for the offering, placing or maintaining of a kiosk or other similar device not physically located on the licensed premises of the race book or sports pool, except:
  - (a) An affiliated licensed race book or sports pool; or
- (b) The licensee of an establishment at which the race book or sports pool holds or obtains a license to operate pursuant to this section.
- This subsection does not prohibit an operator of a race book or sports pool from entering into an agreement with another person for the provision of shared services relating to advertising or marketing.
- 5. Nothing in this section limits or prohibits an operator of an inter-casino linked system from placing and operating such a system on the premises of two or more gaming licensees and receiving, either directly or indirectly, any compensation or any percentage or share of the money or property played from the linked games in accordance with the provisions of this chapter and the regulations adopted by the Commission. An inter-casino linked system must not be used to link games other than slot machines, unless such games are located at an establishment that is licensed for games other than slot machines.
- 6. For the purposes of this section, the operation of a race book or sports pool includes making the premises available for any of the following purposes:
- (a) Allowing patrons to establish an account for wagering with the race book or sports pool;
  - (b) Accepting wagers from patrons;
  - (c) Allowing patrons to place wagers;
  - (d) Paying winning wagers to patrons; or
- (e) Allowing patrons to withdraw cash from an account for wagering or to be issued a ticket, receipt, representation of value or other credit representing a withdrawal from an account for wagering that can be redeemed for cash,
- whether by a transaction in person at an establishment or through mechanical means such as a kiosk or other similar device, regardless of whether that device would otherwise be considered associated equipment.
- 7. The provisions of this section do not apply to a license to operate [a mobile gaming system or to operate] interactive gaming.

- Sec. 9. NRS 463.305 is hereby amended to read as follows:
- 463.305 1. Any person who operates or maintains in this State any gaming device of a specific model, any gaming device which includes a significant modification [, any mobile gaming system] or any inter-casino linked system which the Board or Commission has not approved for testing or for operation is subject to disciplinary action by the Board or Commission.
- 2. The Board shall maintain a list of approved gaming devices <del>[, mobile gaming systems]</del> and inter-casino linked systems.
- 3. If the Board suspends or revokes approval of a gaming device pursuant to the regulations adopted pursuant to subsection 4, [or suspends or revokes approval of a mobile gaming system pursuant to the regulations adopted pursuant to NRS 463.730,] the Board may order the removal of the gaming device [or mobile gaming system] from an establishment.
- 4. The Commission shall adopt regulations relating to gaming devices and their significant modification and inter-casino linked systems.
  - Sec. 10. NRS 463.3855 is hereby amended to read as follows:
- 463.3855 1. In addition to any other state license fees imposed by this chapter, the Commission shall, before issuing a state gaming license to an operator of a slot machine route [, an operator of a mobile gaming system] or an operator of an inter-casino linked system, charge and collect an annual license fee of \$500.
- 2. Each such license must be issued for a calendar year beginning January 1 and ending December 31. If the operation of the licensee is continuing, the Commission shall charge and collect the fee on or before December 31 for the ensuing calendar year.
- 3. Except as otherwise provided in NRS 463.386, the fee to be charged and collected under this section is the full annual fee, without regard to the date of application for or issuance of the license.
  - Sec. 10.2. NRS 463.482 is hereby amended to read as follows:
- 463.482 As used in NRS 463.160 to 463.170, inclusive, 463.368, 463.386, 463.482 to 463.645, inclusive, and 463.750, unless the context otherwise requires, the words and terms defined in NRS 463.4825 to 463.488, inclusive, *and sections 1.3 and 1.5 of this act* have the meanings ascribed to them in those sections.
  - Sec. 10.4. NRS 463.622 is hereby amended to read as follows:
- 463.622 The policy of the State of Nevada with respect to corporate <u>affairs, including, without limitation, corporate</u> acquisitions, repurchases of securities and corporate recapitalizations affecting corporate licensees and publicly traded corporations that are affiliated companies is to:
- 1. Assure the financial stability of corporate licensees and affiliated companies;
- 2. <u>Protect the continued integrity of corporate gaming in matters of corporate governance;</u>
- <u>3.</u> Preserve the beneficial aspects of conducting business in the corporate form; and

- [3.] 4. Promote a neutral environment for the orderly governance of corporate affairs that is consistent with the public policy of this state concerning gaming.
  - Sec. 10.6. NRS 463.623 is hereby amended to read as follows:
- 463.623 <u>1.</u> The Commission [may] <u>shall</u> adopt regulations providing for the review and approval of corporate acquisitions opposed by management, repurchases of securities and corporate defense tactics affecting corporate gaming licensees and publicly traded corporations that are affiliated companies. The regulations must be consistent with:
  - [1.] (a) The policy of this state as expressed in this chapter;
  - [2.] (b) The provisions of this chapter;
  - [3.] (c) The requirements of the Constitution of the United States; and
  - [4.] (d) Federal regulation of securities.
- 2. The regulations must include, without limitation:
- (a) Procedures by which a person, before engaging in certain proscribed activities, directly or indirectly, to influence or affect the affairs of a publicly traded corporation that is registered with the Commission, must file an application for a finding of suitability pursuant to NRS 463.643;
- (b) Provisions that determine which corporate activities, in addition to those described in subsection 5 of NRS 463.643, influence or affect the affairs of a corporation in such a way that the Commission would require a person to file an application for a finding of suitability pursuant to NRS 463.643; and
- (c) Provisions that ensure that a person is not unduly prohibited from lawfully exercising any of his or her voting rights derived from being a shareholder of a publicly traded corporation.
  - Sec. 10.8. NRS 463.643 is hereby amended to read as follows:
  - 463.643 1. Each person who acquires, directly or indirectly:
  - (a) Beneficial ownership of any voting security; or
  - (b) Beneficial or record ownership of any nonvoting security,
- → in a publicly traded corporation which is registered with the Commission may be required to be found suitable if the Commission has reason to believe that the person's acquisition of that ownership would otherwise be inconsistent with the declared policy of this state.
- 2. Each person who acquires, directly or indirectly, beneficial or record ownership of any debt security in a publicly traded corporation which is registered with the Commission may be required to be found suitable if the Commission has reason to believe that the person's acquisition of the debt security would otherwise be inconsistent with the declared policy of this state.
- 3. Each person who, individually or in association with others, acquires  $\frac{1}{12}$  or holds, directly or indirectly, beneficial ownership of more than 5 percent of any class of voting securities of a publicly traded corporation registered with the Nevada Gaming Commission, and who is required to report, or voluntarily reports, the acquisition <u>or holding</u> to the Securities and Exchange Commission pursuant to section 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of 1934, as amended, 15 U.S.C. §§ 78m(d)(1), 78m(g) and 78p(a), respectively,

shall, [within 10 days] after filing the report and any amendment thereto with the Securities and Exchange Commission, notify the Nevada Gaming Commission on the date specified in regulation by the Nevada Gaming Commission and in the manner prescribed by the Chair of the Board that the report has been filed with the Securities and Exchange Commission.

- 4. Each person who, individually or in association with others, acquires <u>f.</u>; <u>or holds</u>, directly or indirectly, the beneficial ownership of more than 10 percent of any class of voting securities of a publicly traded corporation registered with the Commission, or who is required to report, or voluntarily reports, such acquisition <u>or holding</u> pursuant to section 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of 1934, as amended, 15 U.S.C. §§ 78m(d)(1), 78m(g) and 78p(a), respectively, shall apply to the Commission for a finding of suitability within 30 days after the <u>fChair of the Board mails the written notice.</u> date specified by the Commission by regulation.
  - 5. A person who acquires, directly or indirectly:
  - (a) Beneficial ownership of any voting security; or
- (b) Beneficial or record ownership of any nonvoting security or debt security,
- → in a publicly traded corporation created under the laws of a foreign country which is registered with the Commission shall file such reports and is subject to such a finding of suitability as the Commission may prescribe.
- 6. Except as otherwise provided in subsection 7, each person who, individually or in association with others, acquires or holds, directly or indirectly, the beneficial ownership of any amount of any class of voting securities of a publicly traded corporation registered with the Commission, and who has the intent to engage in any proscribed activity shall:
- (a) Within 2 days after possession of such intent, notify the Chair of the Board in the manner prescribed by the Chair; and
- (b) Apply to the Commission for a finding of suitability within 30 days after notifying the Chair pursuant to paragraph (a).
- 7. Except as otherwise provided by the Commission, a person who has beneficial ownership of less than 10 percent of each class of voting securities of a publicly traded corporation registered with the Commission, acquired or held by the person through a pension, need not notify the Commission or apply for a finding of suitability with the Commission pursuant to subsection 6 before engaging in any proscribed activity.
- <u>8.</u> Any person required by the Commission or by this section to be found suitable shall:
- (a) Except as otherwise required in subsection 4, apply for a finding of suitability within 30 days after the Commission requests that the person do so; and
- (b) Together with the application, deposit with the Board a sum of money which, in the opinion of the Board, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of the application, and

deposit such additional sums as are required by the Board to pay final costs and charges.

- [7.] 9. Any person required by the Commission or this section to be found suitable who is found unsuitable by the Commission shall not hold directly or indirectly the:
  - (a) Beneficial ownership of any voting security; or
- (b) Beneficial or record ownership of any nonvoting security or debt security,
- → of a publicly traded corporation which is registered with the Commission beyond the time prescribed by the Commission.
  - [8.] 10. The violation of subsection  $\frac{6}{18}$  8 or  $\frac{7}{19}$  9 is a gross misdemeanor.
- [9.] 11. As used in this section, "debt security" means any instrument generally recognized as a corporate security representing money owed and reflected as debt on the financial statement of a publicly traded corporation, including, but not limited to, bonds, notes and debentures.
  - Sec. 11. NRS 463.650 is hereby amended to read as follows:
- 463.650 1. Except as otherwise provided in subsections 2 to 7, inclusive, it is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to operate, carry on, conduct or maintain any form of manufacture, selling or distribution of any gaming device, cashless wagering system [, mobile gaming system] or interactive gaming system for use or play in Nevada without first procuring and maintaining all required federal, state, county and municipal licenses.
- 2. A lessor who specifically acquires equipment for a capital lease is not required to be licensed under this section.
- 3. The holder of a state gaming license or the holding company of a corporation, partnership, limited partnership, limited-liability company or other business organization holding a license may, within 2 years after cessation of business or upon specific approval by the Board, dispose of by sale in a manner approved by the Board, any or all of its gaming devices, including slot machines [, mobile gaming systems] and cashless wagering systems, without a distributor's license. In cases of bankruptcy of a state gaming licensee or foreclosure of a lien by a bank or other person holding a security interest for which gaming devices are security in whole or in part for the lien, the Board may authorize the disposition of the gaming devices without requiring a distributor's license.
  - 4. The Commission may, by regulation, authorize a person who owns:
  - (a) Gaming devices for home use in accordance with NRS 463.160; or
  - (b) Antique gaming devices,
- → to sell such devices without procuring a license therefor to residents of jurisdictions wherein ownership of such devices is legal.
  - 5. Upon approval by the Board, a gaming device owned by:
  - (a) A law enforcement agency;
  - (b) A court of law; or

- (c) A gaming device repair school licensed by the Commission on Postsecondary Education,
- may be disposed of by sale, in a manner approved by the Board, without a distributor's license. An application for approval must be submitted to the Board in the manner prescribed by the Chair.
- 6. A manufacturer who performs any action described in paragraph (a), (b) or (c) of subsection 1 of NRS 463.01715 is not required to be licensed under the provisions of this section with respect to the performance of that action if another manufacturer who is licensed under the provisions of this section assumes responsibility for the performance of that action.
- 7. An independent contractor who designs, develops, programs, produces or composes a control program for use in the manufacture of a gaming device that is for use or play in this State is not required to be licensed under the provisions of this section with respect to the design, development, programming, production or composition of a control program if a manufacturer who is licensed under the provisions of this section assumes responsibility for the design, development, programming, production or composition of the control program.
- 8. Any person who the Commission determines is a suitable person to receive a license under the provisions of this section may be issued a manufacturer's or distributor's license. The burden of proving his or her qualification to receive or hold a license under this section is at all times on the applicant or licensee.
- 9. Every person who must be licensed pursuant to this section is subject to the provisions of NRS 463.482 to 463.645, inclusive, unless exempted from those provisions by the Commission.
- 10. The Commission may exempt, for any purpose, a manufacturer, seller or distributor from the provisions of NRS 463.482 to 463.645, inclusive, if the Commission determines that the exemption is consistent with the purposes of this chapter.
- 11. Any person conducting business in Nevada who is not required to be licensed as a manufacturer, seller or distributor pursuant to subsection 1, but who otherwise must register with the Attorney General of the United States pursuant to Title 15 of U.S.C., must submit to the Board a copy of such registration within 10 days after submission to the Attorney General of the United States.
- 12. It is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to knowingly distribute any gaming device, cashless wagering system, [mobile gaming system,] interactive gaming system or associated equipment from Nevada to any jurisdiction where the possession, ownership or use of any such device, system or equipment is illegal.
  - 13. As used in this section:
- (a) "Antique gaming device" means a gaming device that was manufactured before 1961.

- (b) "Assume responsibility" has the meaning ascribed to it in NRS 463.01715.
  - (c) "Control program" has the meaning ascribed to it in NRS 463.0155.
  - (d) "Holding company" has the meaning ascribed to it in NRS 463.485.
- (e) "Independent contractor" has the meaning ascribed to it in NRS 463.01715.
  - Sec. 12. NRS 463.6505 is hereby amended to read as follows:
- 463.6505 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license as a manufacturer, distributor or seller of gaming devices [or mobile gaming systems] must indicate in the application submitted to the Commission whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS.
- 2. A license as a manufacturer, distributor or seller of gaming devices <del>[or mobile gaming systems]</del> may not be renewed by the Commission if:
- (a) The applicant fails to submit the information required by subsection 1; or
- (b) The State Controller has informed the Commission pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
  - (1) Satisfied the debt;
- (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
  - (3) Demonstrated that the debt is not valid.
  - 3. As used in this section:
  - (a) "Agency" has the meaning ascribed to it in NRS 353C.020.
  - (b) "Debt" has the meaning ascribed to it in NRS 353C.040.
  - Sec. 13. NRS 463.651 is hereby amended to read as follows:
- 463.651 1. A natural person who applies for the issuance or renewal of a license as a manufacturer, distributor or seller of gaming devices [or mobile gaming systems] shall submit to the Commission the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
- 2. The Commission shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the issuance or renewal of the license; or
  - (b) A separate form prescribed by the Commission.
- 3. A license as a manufacturer, distributor or seller of gaming devices <del>[or mobile gaming systems]</del> may not be issued or renewed by the Commission if the applicant is a natural person who:
  - (a) Fails to submit the statement required pursuant to subsection 1; or

- (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Commission shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.
  - Sec. 14. NRS 463.652 is hereby amended to read as follows:
- 463.652 1. If the Commission receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a license as a manufacturer, distributor or seller of gaming devices, {or mobile gaming systems,} the Commission shall deem the license issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Commission receives a letter issued to the holder of the license by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- 2. The Commission shall reinstate a license as a manufacturer, distributor or seller of gaming devices [or mobile gaming systems] that has been suspended by a district court pursuant to NRS 425.540 if the Commission receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
  - Sec. 15. NRS 463.653 is hereby amended to read as follows:
- 463.653 The application of a natural person who applies for the issuance of a license as a manufacturer, distributor or seller of gaming devices <del>[or mobile gaming systems]</del> must include the social security number of the applicant.
  - Sec. 16. NRS 463.670 is hereby amended to read as follows:
  - 463.670 1. The Legislature finds and declares as facts:
- (a) That the inspection of games, gaming devices, associated equipment, cashless wagering systems, inter-casino linked systems <del>[, mobile gaming systems]</del> and interactive gaming systems is essential to carry out the provisions of this chapter.
- (b) That the inspection of games, gaming devices, associated equipment, cashless wagering systems, inter-casino linked systems [, mobile gaming systems] and interactive gaming systems is greatly facilitated by the

opportunity to inspect components before assembly and to examine the methods of manufacture.

- (c) That the interest of this State in the inspection of games, gaming devices, associated equipment, cashless wagering systems, inter-casino linked systems [, mobile gaming systems] and interactive gaming systems must be balanced with the interest of this State in maintaining a competitive gaming industry in which games can be efficiently and expeditiously brought to the market.
- 2. The Commission may, with the advice and assistance of the Board, adopt and implement procedures that preserve and enhance the necessary balance between the regulatory and economic interests of this State which are critical to the vitality of the gaming industry of this State.
- 3. The Board may inspect every game or gaming device which is manufactured, sold or distributed:
  - (a) For use in this State, before the game or gaming device is put into play.
- (b) In this State for use outside this State, before the game or gaming device is shipped out of this State.
- 4. The Board may inspect every game or gaming device which is offered for play within this State by a state gaming licensee.
- 5. The Board may inspect all associated equipment, every cashless wagering system, every inter-casino linked system [, every mobile gaming system] and every interactive gaming system which is manufactured, sold or distributed for use in this State before the equipment or system is installed or used by a state gaming licensee and at any time while the state gaming licensee is using the equipment or system.
- 6. In addition to all other fees and charges imposed by this chapter, the Board may determine, charge and collect an inspection fee from each manufacturer, seller, distributor or independent testing laboratory which must not exceed the actual cost of inspection and investigation.
  - 7. The Commission shall adopt regulations which:
- (a) Provide for the registration of independent testing laboratories and of each person that owns, operates or has significant involvement with an independent testing laboratory, specify the form of the application required for such registration, set forth the qualifications required for such registration and establish the fees required for the application, the investigation of the applicant and the registration of the applicant.
- (b) Authorize the Board to utilize independent testing laboratories for the inspection and certification of any game, gaming device, associated equipment, cashless wagering system, inter-casino linked system [, mobile gaming system] or interactive gaming system, or any components thereof.
- (c) Establish uniform protocols and procedures which the Board and independent testing laboratories must follow during an inspection performed pursuant to subsection 3 or 5, and which independent testing laboratories must follow during the certification of any game, gaming device, associated equipment, cashless wagering system, inter-casino linked system [, mobile

gaming system] or interactive gaming system, or any components thereof, for use in this State or for shipment from this State.

- (d) Allow an application for the registration of an independent testing laboratory to be granted upon the independent testing laboratory's completion of an inspection performed in compliance with the uniform protocols and procedures established pursuant to paragraph (c) and satisfaction of such other requirements that the Board may establish.
- (e) Provide the standards and procedures for the revocation of the registration of an independent testing laboratory.
- (f) Provide the standards and procedures relating to the filing of an application for a finding of suitability pursuant to this section and the remedies should a person be found unsuitable.
- (g) Provide any additional provisions which the Commission deems necessary and appropriate to carry out the provisions of this section and which are consistent with the public policy of this State pursuant to NRS 463.0129.
- 8. The Commission shall retain jurisdiction over any person registered pursuant to this section and any regulation adopted thereto, in all matters relating to a game, gaming device, associated equipment, cashless wagering system, inter-casino linked system [, mobile gaming system] or interactive gaming system, or any component thereof or modification thereto, even if the person ceases to be registered.
- 9. A person registered pursuant to this section is subject to the investigatory and disciplinary proceedings that are set forth in NRS 463.310 to 463.318, inclusive, and shall be punished as provided in those sections.
- 10. The Commission may, upon recommendation of the Board, require the following persons to file an application for a finding of suitability:
  - (a) A registered independent testing laboratory.
  - (b) An employee of a registered independent testing laboratory.
- (c) An officer, director, partner, principal, manager, member, trustee or direct or beneficial owner of a registered independent testing laboratory or any person that owns or has significant involvement with the activities of a registered independent testing laboratory.
- 11. If a person fails to submit an application for a finding of suitability within 30 days after a demand by the Commission pursuant to this section, the Commission may make a finding of unsuitability. Upon written request, such period may be extended by the Chair of the Commission, at the Chair's sole and absolute discretion.
- 12. As used in this section, unless the context otherwise requires, "independent testing laboratory" means a private laboratory that is registered by the Board to inspect and certify games, gaming devices, associated equipment, cashless wagering systems, inter-casino linked systems [, mobile gaming systems] or interactive gaming systems, and any components thereof and modifications thereto, and to perform such other services as the Board and Commission may request.

- Sec. 17. NRS 463.677 is hereby amended to read as follows:
- 463.677 1. The Legislature finds that:
- (a) Technological advances have evolved which allow licensed gaming establishments to expose games, including, without limitation, system-based and system-supported games, gaming devices, [mobile gaming systems,] interactive gaming, cashless wagering systems or race books and sports pools, and to be assisted by a service provider who provides important services to the public with regard to the conduct and exposure of such games.
- (b) To protect and promote the health, safety, morals, good order and general welfare of the inhabitants of this State, and to carry out the public policy declared in NRS 463.0129, it is necessary that the Board and Commission have the ability to license service providers by maintaining strict regulation and control of the operation of such service providers and all persons and locations associated therewith.
- 2. Except as otherwise provided in subsection 3, the Commission may, with the advice and assistance of the Board, provide by regulation for the licensing and operation of a service provider and all persons, locations and matters associated therewith. Such regulations may include, without limitation:
- (a) Provisions requiring the service provider to meet the qualifications for licensing pursuant to NRS 463.170, in addition to any other qualifications established by the Commission, and to be licensed regardless of whether the service provider holds any other license.
- (b) Criteria regarding the location from which the service provider conducts its operations, including, without limitation, minimum internal and operational control standards established by the Commission.
- (c) Provisions relating to the licensing of persons owning or operating a service provider, and any persons having a significant involvement therewith, as determined by the Commission.
- (d) A provision that a person owning, operating or having significant involvement with a service provider, as determined by the Commission, may be required by the Commission to be found suitable to be associated with licensed gaming, including race book or sports pool operations.
- (e) Additional matters which the Commission deems necessary and appropriate to carry out the provisions of this section and which are consistent with the public policy of this State pursuant to NRS 463.0129, including that a service provider must be liable to the licensee on whose behalf the services are provided for the service provider's proportionate share of the fees and taxes paid by the licensee.
- 3. The Commission may not adopt regulations pursuant to this section until the Commission first determines that service providers are secure and reliable, do not pose a threat to the integrity of gaming and are consistent with the public policy of this State pursuant to NRS 463.0129.
- 4. Regulations adopted by the Commission pursuant to this section must provide that the premises on which a service provider conducts its operations

are subject to the power and authority of the Board and Commission pursuant to NRS 463.140, as though the premises are where gaming is conducted and the service provider is a gaming licensee.

- 5. As used in this section:
- (a) "Interactive gaming service provider" means a person who acts on behalf of an establishment licensed to operate interactive gaming and:
- (1) Manages, administers or controls wagers that are initiated, received or made on an interactive gaming system;
- (2) Manages, administers or controls the games with which wagers that are initiated, received or made on an interactive gaming system are associated;
- (3) Maintains or operates the software or hardware of an interactive gaming system; or
- (4) Provides products, services, information or assets to an establishment licensed to operate interactive gaming and receives therefor a percentage of gaming revenue from the establishment's interactive gaming system.
  - (b) "Service provider" means a person who:
- (1) Acts on behalf of another licensed person who conducts nonrestricted gaming operations, and who assists, manages, administers or controls wagers or games, or maintains or operates the software or hardware of games on behalf of such a licensed person, and is authorized to share in the revenue from games without being licensed to conduct gaming at an establishment;
  - (2) Is an interactive gaming service provider;
  - (3) Is a cash access and wagering instrument service provider; or
- (4) Meets such other or additional criteria as the Commission may establish by regulation.
  - Sec. 18. NRS 465.070 is hereby amended to read as follows:
  - 465.070 It is unlawful for any person:
- 1. To alter or misrepresent the outcome of a game or other event on which wagers have been made after the outcome is made sure but before it is revealed to the players.
- 2. To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome.
- 3. To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gambling game, with intent to defraud, without having made a wager contingent thereon, or to claim, collect or take an amount greater than the amount won.
- 4. Knowingly to entice or induce another to go to any place where a gambling game is being conducted or operated in violation of the provisions of this chapter, with the intent that the other person play or participate in that gambling game.

- 5. To place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets.
- 6. To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets.
- 7. To manipulate, with the intent to cheat, any component of a gaming device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game.
- 8. To offer, promise or give anything of value to anyone for the purpose of influencing the outcome of a race, sporting event, contest or game upon which a wager may be made, or to place, increase or decrease a wager after acquiring knowledge, not available to the general public, that anyone has been offered, promised or given anything of value for the purpose of influencing the outcome of the race, sporting event, contest or game upon which the wager is placed, increased or decreased.
- 9. To change or alter the normal outcome of any game played on an interactive gaming system [or a mobile gaming system] or the way in which the outcome is reported to any participant in the game.
  - Sec. 19. NRS 465.094 is hereby amended to read as follows:
- 465.094 The provisions of NRS 465.092 and 465.093 do not apply to global risk management pursuant to NRS 463.810 and 463.820 or to a wager placed by a person for the person's own benefit or, without compensation, for the benefit of another that is accepted or received by, placed with, or sent, transmitted or relayed to:
- 1. A race book or sports pool that is licensed pursuant to chapter 463 of NRS, if the wager is accepted or received within this State and otherwise complies with all other applicable laws and regulations concerning wagering;
- 2. A person who is licensed to engage in off-track pari-mutuel wagering pursuant to chapter 464 of NRS, if the wager is accepted or received within this State and otherwise complies with subsection 3 of NRS 464.020 and all other applicable laws and regulations concerning wagering;
- 3. [A person who is licensed to operate a mobile gaming system pursuant to chapter 463 of NRS, if the wager is accepted or received within this State and otherwise complies with all other applicable laws and regulations concerning wagering;
- —4.] Any other person or establishment that is licensed to engage in wagering pursuant to title 41 of NRS, if the wager is accepted or received within this State and otherwise complies with all other applicable laws and regulations concerning wagering; or
- [5.] 4. Any other person or establishment that is licensed to engage in wagering in another jurisdiction and is permitted to accept or receive a wager

from patrons within this State under an agreement entered into by the Governor pursuant to NRS 463.747.

- Sec. 19.5. 1. The amendatory provisions of sections 5, 7, 8, 10, 18 and 19 of this act do not apply to:
- (a) A person who holds a nonrestricted license for a mobile gaming system or who holds such a license for the operation of a mobile gaming system that was issued on or before June 30, 2019;
- (b) A person who acquired a financial interest in an operator of a mobile gaming system pursuant to paragraph (a) or who acquired a financial interest in the operation of such a system before, on or after July 1, 2019; or
- (c) A successor in interest to a person who acquires a financial interest pursuant to paragraph (b).
- 2. The provisions of subsection 1 do not exempt a person or transaction from any provision of law relating to the licensure, registration, finding of suitability, review or approval of such a person or transaction.
  - Sec. 20. NRS 463.0176, 463.730 and 463.735 are hereby repealed.

## Sec. 21. [This act becomes]

- 1. This section and sections 1, 1.3, 1.5 and 10.2 to 10.8, inclusive, of this act become effective upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks to carry out the amendatory provisions of this act, and on January 1, 2020, for all other purposes.
- 2. Sections 1.7 to 10, inclusive, and 11 to 20, inclusive, of this act become effective on July 1, 2019.

## TEXT OF REPEALED SECTIONS

463.0176 "Mobile gaming" defined. "Mobile gaming" means the conduct of gambling games through communications devices operated solely in an establishment which holds a nonrestricted gaming license and which operates at least 100 slot machines and at least one other game by the use of communications technology that allows a person to transmit information to a computer to assist in the placing of a bet or wager and corresponding information related to the display of the game, game outcomes or other similar information. For the purposes of this section, "communications technology" means any method used and the components employed by an establishment to facilitate the transmission of information, including, without limitation, transmission and reception by systems based on wireless network, wireless fidelity, wire, cable, radio, microwave, light, optics or computer data networks. The term does not include the Internet.

- 463.730 License required to operate, manufacture, sell or distribute mobile gaming system or to manufacture equipment associated with mobile gaming; powers and duties of Commission; regulations; conditions.
- 1. Except as otherwise provided in subsection 2, the Commission may, with the advice and assistance of the Board, adopt regulations governing the operation of mobile gaming and the licensing of:
  - (a) An operator of a mobile gaming system;

- (b) A manufacturer, seller or distributor of a mobile gaming system; and
- (c) A manufacturer of equipment associated with mobile gaming.
- 2. The Commission may not adopt regulations pursuant to this section until the Commission first determines that:
- (a) Mobile gaming systems are secure and reliable, and provide reasonable assurance that players will be of lawful age and communicating only from areas of licensed gaming establishments that have been approved by the Commission for that purpose; and
- (b) Mobile gaming can be operated in a manner which complies with all applicable laws.
- 3. The regulations adopted by the Commission pursuant to this section must:
- (a) Provide that gross revenue received by a licensed gaming establishment or the operator or the manufacturer of a mobile gaming system from the operation of mobile gaming is subject to the same license fee provisions of NRS 463.370 as the other games and gaming devices operated at the licensed gaming establishment.
- (b) Provide that a mobile communications device which displays information relating to the game to a participant in the game as part of a mobile gaming system is subject to the same fees and taxes applicable to slot machines as set forth in NRS 463.375 and 463.385.
- (c) Set forth standards for the security of the computer system and its location, which may be outside a licensed gaming establishment but must be within this State, and for approval of hardware and software used in connection with mobile gaming.
- (d) Define "mobile gaming system," "operator of a mobile gaming system" and "equipment associated with mobile gaming" as the terms are used in this chapter.
- 463.735 Enforceability of mobile gaming debts. A debt incurred by a patron in connection with playing a mobile gaming system at a licensed gaming establishment is valid and may be enforced by legal process.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senator Cannizzaro.

Amendment No. 187 to Senate Bill No. 73 ensures that this bill's amendatory provisions do not affect the rights and obligations of any operator of a mobile-gaming system who holds a nonrestricted license issued on or before June 30, 2019; ensures that each purchaser, prospective purchaser or any successor in interest to such a purchaser has the same rights and obligations relating to the license to operate a mobile-gaming system; provides that certain persons who acquire beneficial ownership of a voting or nonvoting security or any debt security or who intend to take part in certain proscribed activities in relation to a publicly traded corporation that is registered in the State of Nevada with the Nevada Gaming Commission must apply for and obtain a finding of suitability from the Commission, and revises portions of the bill regarding grandfathering provisions that apply to persons who hold or who acquire nonrestricted licenses for mobile gaming that were issued on or before June 30, 2019.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 90.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 87.

SUMMARY—Making various changes relating to the health of children. (BDR <del>[57-448)]</del> 40-448)

AN ACT relating to the health of children; [requiring health insurance plans to include coverage for the cost of hearing aids for children; authorizing public and private schools to obtain and maintain medication to treat asthma under certain conditions; authorizing certain providers of health care to issue an order for such medication to a public or private school;] revising requirements relating to the testing of children for lead; [providing for the issuance of vouchers to certain persons to purchase diapers;] establishing the Diapering Resources Account and providing for the distribution of money from the Account to provide diapers and diapering supplies to low-income families; providing for grants to certain entities to promote healthy diet and exercise for children; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires most health insurance policies that provide family coverage to provide health benefits for the natural and adopted children of the insured. (NRS 689A.043, 689B.033, 695B.193, 695C.173) Sections 1, 3, 4, 6-9, 11, 13, 14, 21 and 22 of this bill require all health insurers, including Medicaid, the Children's Health Insurance Program and state and local governmental employers, to include in each plan of health insurance that it provides coverage for a hearing aid for any insured who is less than 18 years of age. Sections 2, 5, 10 and 12 of this bill make conforming changes.

Existing law authorizes a physician, physician assistant or advanced practice registered nurse to issue to a public or private school an order to allow the (NPS 630 374 632 230 633 707) Sections 25, 26 and 28 of this bill similarly authorize a physician, physician assistant or advanced practice registered nurse to issue to a public or private school an order to allow the school to obtain and maintain medication to treat asthma at the school. Sections 15-10 of this hill-(1) authorize a public or private school to obtain such an order; and (2) prescribe requirements concerning the maintenance, administration and distribution of medication to treat asthma obtained pursuant to such an order-Section 24 of this bill authorizes a school nurse or other school employee who authorized to administer and distribute such medication to possess the medication if he or she has received training concerning the proper storage and administration of such medication. Sections 25, 26, 28 and 20 of this bill provide that a physician, physician assistant, advanced practice registered nurse or pharmacist is not liable for any error or omission concerning the acquisition, possession, provision or administration of medication to tr

asthma dispensed pursuant to an order made in accordance with the requirements of this bill not resulting from gross negligence or reckless, willful or wanton conduct of the physician, physician assistant, advanced practice registered nurse or pharmacist. Section 27 of this bill provides that a nurse who administers medication in accordance with the provisions of this bill is not subject to professional discipline solely for such actions.]

Existing law requires the Department of Health and Human Services to encourage certain providers of health care or other services to perform a test to determine the amount of lead in the blood of each child receiving services from the provider at certain times. Existing law also requires: (1) certain tests that indicate an elevated amount of lead in the blood to be confirmed by a second test; and (2) each qualified laboratory that conducts a blood test for the presence of lead in a child to report the results to the appropriate health authority. (NRS 442.700) Section 23 of this bill revises the conditions under which the results of a test are considered to indicate an elevated amount of lead in the blood. Section 23 also requires offices of providers of health care or other services and medical facilities to report the results of tests of children for lead to the health authority and prescribes the required contents of such a report.

Existing federal law establishes the special supplemental nutrition program for women, infants and children to provide supplemental foods, nutrition education and breastfeeding support and promotion to low-income pregnant, postpartum and breastfeeding women, infants and children who satisfy certain eligibility requirements. (42 U.S.C. § 1786) Section 30 of this bill appropriates money to the Department to award vouchers to participants in that program who are parents of children who are less than 4 years of age for the purchase of diapers.]

Existing law requires the Director of the Department of Health and Human Services to appoint a committee to research opportunities to increase the availability of diapers and diapering supplies to recipients of public assistance and other low-income families in this State. (NRS 422A.660) Section 29.5 of this bill creates the Diapering Resources Account and requires the money in the Account to be expended to provide diapers and diapering supplies to such persons. Section 29.5 requires the State Board of Health, upon the recommendation of the committee, to adopt regulations prescribing: (1) the criteria for determining whether a person qualifies for assistance from the Account; and (2) the procedure for distributing money from the Account. Section 29.5 also requires the Division of Public and Behavioral Health of the Department to submit to the Legislature an annual report concerning the use of the money in the Account. Section 30 of this bill appropriates money into the Account.

\_\_Section 31 of this bill appropriates money to the Division [of Public and Behavioral Health of the Department] to award grants to nonprofit organizations to fund training and technical assistance concerning proper nutrition and physical activity for providers of child care. Section 32 of this

bill appropriates money to the Nevada Silver State Stars Quality Rating and Improvement System established by the Department of Education to award grants to providers of child care to improve facilities to facilitate a healthy diet and exercise for children.

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

- Section 1. [Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A policy of health insurance must include coverage for a hearing aid that is prescribed for an insured who is less than 18 years of acc.
- 2. A policy of health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after July 1, 2019, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void.] (Deleted by amendment.)
- Sec. 2. [NRS 689A.330 is hereby amended to read as follows:
- 689A.330 If any policy is issued by a domestic insurer for delivery to a person residing in another state, and if the insurance commissioner or corresponding public officer of that other state has informed the Commissioner that the policy is not subject to approval or disapproval by that officer, the Commissioner may by ruling require that the policy meet the standards set forth in NRS 689A.030 to 689A.320, inclusive [.], and section 1 of this act.] (Deleted by amendment.)
- Sec. 3. [Chapter 689B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A policy of group health insurance must include coverage for a hearing aid that is prescribed for an insured who is less than 18 years of age.
- 2. A policy of group health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after July 1, 2019, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void.] (Deleted by amendment.)
- Sec. 4. [Chapter 689C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A health benefit plan must include coverage for a hearing aid that is prescribed for an insured who is less than 18 years of age.
- 2. A health benefit plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after July 1, 2019, has the legal effect of including the coverage required by this section, and any provision of the health benefit plan or the renewal which is in conflict with this section is void.] (Deleted by amendment.)
  - Sec. 5. [NRS 689C.425 is hereby amended to read as follows:
- -689C.125 A voluntary purchasing group and any contract issued to such a group pursuant to NRS 689C.360 to 689C.600, inclusive, are subject to the provisions of NRS 689C.015 to 689C.355, inclusive, and section 4 of this act

to the extent applicable and not in conflict with the express provisions of NRS 687B.408 and 689C.360 to 689C.600, inclusive.} (Deleted by amendment.)

- Sec. 6. [Chapter 695A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A benefit contract must include coverage for a hearing aid that is prescribed for an insured who is less than 18 years of age.
- 2. A benefit contract subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after July 1, 2019, has the legal effect of including the coverage required by this section, and any provision of the benefit contract or the renewal which is in conflict with this section is void.] (Deleted by amendment.)
- Sec. 7. [Chapter 695B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A contract for hospital or medical services must include coverage for a hearing aid that is prescribed for an insured who is less than 18 years of age.
- 2. A contract for hospital or medical services subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after July 1, 2019, has the legal effect of including the coverage required by this section, and any provision of the contract for hospital or medical services or the renewal which is in conflict with this section is void.] (Deleted by amendment.)
- Sec. 8. [Chapter 695C of NRS is hereby amended by adding thereto a new section to road as follows:
- 1. A health care plan must include coverage for a hearing aid that is prescribed for an enrollee who is less than 18 years of age.
- 2. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after July 1, 2019, has the legal effect of including the coverage required by this section, and any provision of the health care plan or the renewal which is in conflict with this section is roid.] (Deleted by amendment.)
  - Sec. 9. [NRS 695C.050 is hereby amended to read as follows:
- -695C.050 1. Except as otherwise provided in this chapter or in specific provisions of this title, the provisions of this title are not applicable to any health maintenance organization granted a certificate of authority under this chapter. This provision does not apply to an insurer licensed and regulated pursuant to this title except with respect to its activities as a health maintenance organization authorized and regulated pursuant to this chapter.
- 2. Solicitation of enrollees by a health maintenance organization granted a certificate of authority, or its representatives, must not be construed to violate any provision of law relating to solicitation or advertising by practitioners of a healing art.
- 3. Any health maintenance organization authorized under this chapter shall not be deemed to be practicing medicine and is exempt from the provisions of chapter 630 of NRS.

- 4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734, 695C.1751, 695C.1755, 695C.176 to 695C.200, inclusive, and 695C.265 do not apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt a health maintenance organization from any provision of this chapter for services provided pursuant to any other contract.
- 5. The provisions of NRS 695C.1694 to 695C.1698, inclusive, 695C.1708, 695C.1731, 695C.17345, 695C.1735, 695C.1745 and 695C.1757 and section 8 of this act apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid.] (Deleted by amendment.)
- Sec. 10. [NRS 695C.330 is hereby amended to read as follows:
- <u>695C.330</u> 1. The Commissioner may suspend or revoke any certificate of authority issued to a health maintenance organization pursuant to the provisions of this chapter if the Commissioner finds that any of the following conditions exist:
- (a) The health maintenance organization is operating significantly in contravention of its basic organizational document, its health care plan or in a manner contrary to that described in and reasonably inferred from any other information submitted pursuant to NRS 695C.060, 695C.070 and 695C.140, unless any amendments to those submissions have been filed with and approved by the Commissioner;
- (b) The health maintenance organization issues evidence of coverage or uses a schedule of charges for health care services which do not comply with the requirements of NRS 695C.1691 to 695C.200, inclusive, and section 8 of this act or 695C.207;
- (e) The health care plan does not furnish comprehensive health care services as provided for in NRS 695C.060:
- (d) The Commissioner certifies that the health maintenance organization:
  - (1) Does not meet the requirements of subsection 1 of NRS 695C.080; or
- (2) Is unable to fulfill its obligations to furnish health care services as required under its health care plan;
- (e) The health maintenance organization is no longer financially responsible and may reasonably be expected to be unable to meet its obligations to enrollees or prospective enrollees;
- (f) The health maintenance organization has failed to put into effect a mechanism affording the enrollees an opportunity to participate in matters relating to the content of programs pursuant to NRS 695C.110;
- (g) The health maintenance organization has failed to put into effect the system required by NRS 695C.260 for:

- (1) Resolving complaints in a manner reasonably to dispose of valid complaints; and
- (2) Conducting external reviews of adverse determinations that comply with the provisions of NRS 695G.241 to 695G.310, inclusive;
- (h) The health maintenance organization or any person on its behalf has advertised or merchandised its services in an untrue, misrepresentative, misleading, deceptive or unfair manner;
- (i) The continued operation of the health maintenance organization would be hazardous to its enrollees or creditors or to the general public;
- (j) The health maintenance organization fails to provide the coverage required by NRS 695C.1691; or
- (k) The health maintenance organization has otherwise failed to comply substantially with the provisions of this chapter.
- 2. A certificate of authority must be suspended or revoked only after compliance with the requirements of NRS 695C.340.
- 3. If the certificate of authority of a health maintenance organization is suspended, the health maintenance organization shall not, during the period of that suspension, enroll any additional groups or new individual contracts, unless those groups or persons were contracted for before the date of suspension.
- 4. If the certificate of authority of a health maintenance organization is revoked, the organization shall proceed, immediately following the effective date of the order of revocation, to wind up its affairs and shall conduct no further business except as may be essential to the orderly conclusion of the affairs of the organization. It shall engage in no further advertising or solicitation of any kind. The Commissioner may, by written order, permit such further operation of the organization as the Commissioner may find to be in the best interest of enrollees to the end that enrollees are afforded the greatest practical opportunity to obtain continuing coverage for health care.] (Deleted by amendment.)
- Sec. 11. [Chapter 695G of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A health care plan must include coverage for a hearing aid that is prescribed for an insured who is less than 18 years of age.
- 2. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after July 1, 2019, has the legal effect of including the coverage required by this section, and any provision of the health care plan or the renewal which is in conflict with this section is void.] (Deleted by amendment.)
  - Sec. 12. [NRS 232.320 is hereby amended to read as follows:
- 232,320 1 The Director:
- —(a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:
- (1) The Administrator of the Aging and Disability Services Division;

- (2) The Administrator of the Division of Welfare and Supportive Services:
- (3) The Administrator of the Division of Child and Family Services:
- (4) The Administrator of the Division of Health Care Financing and Policy; and
- (5) The Administrator of the Division of Public and Behavioral Health—(b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, and section 22 of this act, 422.580, 432.010 to 432.133, inclusive, 432B.621 to 432B.626, inclusive, 444.002 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the Division of Public and Behavioral
- —(e) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.
- (d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:
- (1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;
- (2) Set forth priorities for the provision of those services;

Health or the professional line activities of the other divisions.

- (3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government:
- (4) Identify the sources of funding for services provided by the Department and the allocation of that funding:
- (5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and
- (6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.
- (e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.
- (f) Has such other powers and duties as are provided by law.

- 2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate officers and employees of the Department, other than the State Public Defender of the Office of State Public Defender who is appointed pursuant to NRS 180.010.1 (Deleted by amendment.)
  - Sec. 13. [NRS 287.010 is hereby amended to read as follows:
- <u>287.010</u> 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may:
- (a) Adopt and earry into effect a system of group life, accident or health insurance, or any combination thereof, for the benefit of its officers and employees, and the dependents of officers and employees who elect to accept the insurance and who, where necessary, have authorized the governing body to make deductions from their compensation for the payment of premiums on the insurance.
- (b) Purchase group policies of life, accident or health insurance, or any combination thereof, for the benefit of such officers and employees, and the dependents of such officers and employees, as have authorized the purchase, from insurance companies authorized to transact the business of such insurance in the State of Nevada, and, where necessary, deduct from the compensation of officers and employees the premiums upon insurance and pay the deductions upon the premiums.
- (c) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this purpose through deductions from the compensation of officers and employees and contributions of the governing body must be maintained as an internal service fund as defined by NRS 354.543. The money must be deposited in a state or national bank or credit union authorized to transact business in the State of Nevada. Any independent administrator of a fund created under this section is subject to the licensing requirements of chapter 683A of NRS, and must be a resident of this State. Any contract with an independent administrator must be approved by the Commissioner of Insurance as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. The provisions of NRS 687B 408, 689B 030 to 689B 050, inclusive, and section 3 of this act and 689B.287 apply to coverage provided pursuant to this paragraph, except that the provisions of NRS 689B.0378 and 689B.03785 only apply to coverage for active officers and employees of the governing body, or the dependents of such officers and employees.
- (d) Defray part or all of the cost of maintenance of a self insurance fund or of the premiums upon insurance. The money for contributions must be budgeted for in accordance with the laws governing the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada.

- 2. If a school district offers group insurance to its officers and employees pursuant to this section, members of the board of trustees of the school district must not be excluded from participating in the group insurance. If the amount of the deductions from compensation required to pay for the group insurance exceeds the compensation to which a trustee is entitled, the difference must be paid by the trustee.
- 3. In any county in which a legal services organization exists, the governing body of the county, or of any school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada in the county, may enter into a contract with the legal services organization pursuant to which the officers and employees of the legal services organization, and the dependents of those officers and employees, are eligible for any life, accident or health insurance provided pursuant to this section to the officers and employees, and the dependents of the officers and employees, of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency.
- 4. If a contract is entered into pursuant to subsection 3, the officers and employees of the legal services organization:
- (a) Shall be deemed, solely for the purposes of this section, to be officers and employees of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency with which the legal services organization has contracted; and
- (b) Must be required by the contract to pay the premiums or contributions for all insurance which they elect to accept or of which they authorize the purchase.
- 5. A contract that is entered into pursuant to subsection 3:
- (a) Must be submitted to the Commissioner of Insurance for approval not less than 30 days before the date on which the contract is to become effective.
- (b) Does not become effective unless approved by the Commissioner.
- (c) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.
- 6. As used in this section, "legal services organization" means an organization that operates a program for legal aid and receives money pursuant to NRS 19.031.] (Deleted by amendment.)
  - Sec. 14. [NRS 287.04335 is hereby amended to read as follows:
- 287.04335 If the Board provides health insurance through a plan of self insurance, it shall comply with the provisions of NRS 687B.409, 689B.255, 695G.150, 695G.160, 695G.162, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.170 to 695G.173, inclusive, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, and section 11 of this act in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.] (Deleted by amendment.)

- Sec. 15. [NRS 386.865 is hereby amended to read as follows:
- <u>386.865</u> 1. Each public school shall ensure that auto injectable epinephrine and any medication to treat asthma maintained at the school is stored in a designated, secure location that is unlocked and easily accessible.
- 2. Each school district shall establish a policy for the schools within the district, other than charter schools, regarding the proper handling and transportation of auto-injectable epinephrine [.] and medication to treat asthma.
- 3. Not later than 30 days after the last day of each school year, each school district and charter school shall submit a report to the Division of Public and Behavioral Health of the Department of Health and Human Services identifying the number of doses of auto-injectable epinephrine that were administered and the number of times medication to treat asthma was administered at each public school within the school district or charter school, as applicable, during the school year.] (Deleted by amendment.)
  - Sec. 16. [NRS 386.870 is hereby amended to read as follows:
- 386.870 I. Each public school, including, without limitation, each charter school, shall obtain an order from a physician, osteopathic physician, physician assistant or advanced practice registered nurse, for auto-injectable epinephrine pursuant to NRS 630.374, 632.239 or 633.707 and acquire at least two doses of the medication to be maintained at the school. If a dose of auto-injectable epinephrine maintained by the public school is used or expires, the public school shall ensure that at least two doses of the medication are available at the school and obtain additional doses to replace the used or expired doses if necessary.
- 2. A public school, including, without limitation, a charter school, may obtain an order from a physician, osteopathic physician, physician assistant or advanced practice registered nurse for medication to treat asthma pursuant to NRS 630.374, 632.239 or 633.707 to be maintained at the school. If such medication maintained by the public school is used or expires, the public school may obtain additional medication to replace the used or expired medication.
- 3. Auto-injectable epinephrine maintained by a public school pursuant to this section may be administered:
- (a) At a public school other than a charter school, by a school nurse or any other employee of the public school who has been designated by the school nurse and has received training in the proper storage and administration of auto-injectable epinephrine; or
- (b) At a charter school, by the employee designated to be authorized to administer auto-injectable epinephrine pursuant to NRS 388A.547 if the person has received the training in the proper storage and administration of auto injectable epinephrine.
- [3.] 1. Medication to treat asthma obtained by a public school pursuant to this section may be administered:

- —(a) At a public school other than a charter school, by a school nurse or any other employee of the public school who has been designated by the school nurse and has received training in the proper storage and administration of medication to treat asthma; or
- (b) At a charter school, by the employee designated to be authorized to administer medication to treat asthma pursuant to NRS 388A.547 if the person has received the training in the proper storage and administration of such medication.
- 5. A school nurse or other designated employee of a public school may ladminister.
- (a) Administer auto injectable epinephrine maintained at the school to any pupil on the premises of the public school during regular school hours whom the school nurse or other designated employee reasonably believes is experiencing anaphylaxis.
- [4.] (b) Administer medication to treat asthma maintained at the school to any pupil on the premises of the public school during regular school hours whom the school nurse or other designated employee reasonably believes to be experiencing or at immediate risk of experiencing an asthma attack.
- 6. A public school may accept gifts, grants and donations from any source for the support of the public school in carrying out the provisions of this section, including, without limitation, the acceptance of auto-injectable epinephrine or medication to treat asthma from a manufacturer or wholesaler of auto-injectable epinephrine [.] or medication to treat asthma, as applicable.] (Deleted by amendment.)
- Sec. 17. [NRS 388A.547 is hereby amended to read as follows:
- <u>388A.547</u> 1. Each charter school shall designate one or more employees of the school who is authorized to administer auto-injectable epinephrine.
- 2. Each charter school that obtains an order from a physician, osteopathic physician, physician assistant or advanced practice registered nurse for medication to treat asthma as authorized pursuant to NRS 386.870 shall designate at least one employee of the school who is authorized to administer such medication.
- 3. Each charter school shall ensure that each person [so] designated to administer medication pursuant to subsection 1 or 2 receives training in the proper storage and administration of auto injectable epinephrine [.] or medication to treat asthma, as applicable.] (Deleted by amendment.)
  - Sec. 18. INRS 391.291 is hereby amended to read as follows:
- 391.291 1. The provision of nursing services in a school district by school nurses and other qualified personnel must be under the direction and supervision of a chief nurse who is a registered nurse as provided in NRS 632.240 and who:
- -(a) Holds an endorsement to serve as a school nurse issued pursuant to regulations adopted by the Commission; or

- (b) Is employed by a state, county, city or district health department and provides nursing services to the school district in the course of that employment.
- 2. A school district shall not employ a person to serve as a school nurse unless the person holds an endorsement to serve as a school nurse issued pursuant to regulations adopted by the Commission.
- 3. The chief nurse shall ensure that each school nurse:
- (a) Coordinates with the principal of each school to designate employees of the school who are authorized to [administer] :
- (1) Administer auto injectable epinephrine; and
- (2) If the school has obtained an order for medication to treat asthma, as authorized pursuant to subsection 2 of NRS 386.870, administer such medication; and
- (b) Provides the employees so designated with training concerning the proper storage and administration of auto-injectable epinephrine [.] or medication to treat asthma, as applicable.] (Deleted by amendment.)
  - Sec. 19. INRS 394.1995 is hereby amended to read as follows:
- 394.1995—1. A private school may obtain an order from a physician, osteopathic physician, physician assistant or advanced practice registered nurse for auto-injectable epinephrine or medication to treat asthma pursuant to NRS 630.374, 632.239 or 633.707 to be maintained at the school. If a dose of auto-injectable epinephrine or medication to treat asthma maintained by the private school is used or expires, the private school may obtain additional doses of auto-injectable epinephrine or medication to treat asthma, as applicable, to replace the used or expired auto-injectable epinephrine [.] or medication to treat asthma.
- 2. Auto-injectable epinephrine maintained by a private school pursuant to this section may be administered by a school nurse or any other employee of the private school who has received training in the proper storage and administration of auto-injectable epinephrine.
- 3. Medication to treat asthma maintained by a private school pursuant to this section may be administered by a school nurse or any other employee of the private school who has received training in the proper storage and administration of medication to treat asthma.
- 4. A school nurse or other trained employee may [administer] :
- (a) Administer auto-injectable epinephrine maintained at the school to any pupil on the premises of the private school during regular school hours whom the school nurse or other trained employee reasonably believes is experiencing anaphylaxis.
- [4.] (b) Administer medication to treat asthma maintained at the school to any pupil on the premises of the public school during regular school hours whom the school nurse or other designated employee reasonably believes to be experiencing or at immediate risk of experiencing an asthma attack.
- 5. A private school shall ensure that auto injectable epinephrine or medication to treat asthma maintained at the school is stored in a designated,

secure location that is unlocked and easily accessible.] (Deleted by amendment.)

- Sec. 20. [Chapter 422 of NRS is hereby amended by adding thereto the provisions set forth as sections 21 and 22 of this act.] (Deleted by amendment.)
- Sec. 21. [The Director shall include in the Children's Health Insurance Program coverage for a hearing aid that is prescribed for a covered child.] (Deleted by amendment.)
- Sec. 22. [The Director shall include in the State Plan for Medicaid coverage for a hearing aid that is prescribed for a recipient of Medicaid who is less than 18 years of age and a requirement that the State pay the nonfederal share of expenditures for such hearing aids.] (Deleted by amendment.)
  - Sec. 23. NRS 442.700 is hereby amended to read as follows:
- 442.700 1. The Department shall encourage each provider of health care or other services who:
- (a) Is qualified to conduct blood tests during the course of his or her practice to perform, or cause to be performed, a test to determine the amount of lead in the blood of each child receiving services from the provider of health care or other services when the child:
  - (1) Reaches 12 and 24 months of age, respectively; or
  - (2) At least once before the child reaches 6 years of age.
- (b) Provides early and periodic screening, diagnostic and treatment services to a child in accordance with 42 U.S.C. §§ 1396 et seq. to conduct, or cause to be conducted, a screening for the amount of lead in the blood of the child in accordance with the guidelines of the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services.
- 2. Any result of a blood test specified in subsection 1 which is obtained by using a capillary specimen and which indicates an amount of lead in the blood that is greater than [10 ug/dL] the amount designated by the Council of State and Territorial Epidemiologists or, if that organization ceases to exist, an organization designated by regulation of the State Board of Health, as indicating an elevated amount of lead must, as soon as practicable after the result is obtained, be confirmed by a second test using a sample of blood from a vein of the child.
- 3. Each qualified laboratory , *office of a provider of health care or other services or medical facility* that conducts a blood test for the presence of lead in a child who is under 18 years of age shall, as soon as practicable after conducting the test, submit a report of the results of the test to the appropriate health authority in accordance with regulations adopted by the State Board of Health. *The report must include, without limitation:* 
  - (a) The name, sex, race, ethnicity and date of birth of the child;
- (b) The address of the child, including, without limitation, the county and zip code in which the child resides;
  - (c) The date on which the sample was collected;
  - (d) The type of sample that was collected; and

- (e) The name and contact information of the provider of health care who ordered the test.
  - 4. As used in this [subsection, "health] section:
  - (a) "Health authority" has the meaning ascribed to it in NRS 441A.050.
  - (b) "Medical facility" has the meaning ascribed to it in NRS 449.0151.
  - Sec. 24. [NRS 454.303 is hereby amended to read as follows:
- 454.303 A school nurse or other employee of a public or private school who is authorized pursuant to NRS 386.870 or 394.1995 to [administer] :
- 1. Administer auto-injectable epinephrine may possess and administer auto-injectable epinephrine maintained by the school if the school nurse or other employee has received training in the proper storage and administration of auto-injectable epinephrine as required by NRS 386.870 or 394.1995.
- 2. Administer medication to treat asthma may possess and administer medication to treat asthma maintained by the school if the school nurse or other employee has received training in the proper storage and administration of medication to treat asthma as required by NRS 386.870 or 394.1995.] (Deleted by amendment.)
  - Sec. 25. [NRS 630.374 is hereby amended to read as follows:
- <u>630.374</u> 1. A physician or physician assistant may issue to a public or private school an order to allow the school to obtain and maintain auto-injectable epinephrine or medication to treat asthma at the school, regardless of whether any person at the school has been diagnosed with a condition which may cause the person to require such medication for the treatment of anaphylaxis [.] or asthma, as applicable.
- 2. A physician or physician assistant may issue to an authorized entity an order to allow the authorized entity to obtain and maintain auto injectable epinephrine at any location under the control of the authorized entity where allergens capable of causing anaphylaxis may be present, regardless of whether any person employed by, affiliated with or served by the authorized entity has been diagnosed with a condition which may cause the person to require such medication for the treatment of anaphylaxis.
- -3. An order issued pursuant to subsection 1 or 2 must contain:
- (a) The name and signature of the physician or physician assistant and the address of the physician or physician assistant if not immediately available to the pharmacist;
- (b) The classification of his or her license;
- (e) The name of the public or private school or authorized entity to which the order is issued:
- (d) The name, strength and quantity of the drug authorized to be obtained and maintained by the order; and
- (e) The date of issue.
- 4. A physician or physician assistant is not subject to disciplinary action solely for issuing a valid order pursuant to subsection 1 or 2 to an entity other than a natural person and without knowledge of a specific natural person who requires the medication.

- 5. A physician or physician assistant is not liable for any error or omission concerning the acquisition, possession, provision or administration of [auto-injectable]:
- (a) Auto injectable epinephrine maintained by a public or private school or authorized entity pursuant to an order issued by the physician or physician assistant pursuant to subsection 1 or 2 not resulting from gross negligence or reckless, willful or wanton conduct of the physician or physician assistant.
- (b) Medication to treat asthma maintained by a public or private school pursuant to an order issued by the physician or physician assistant pursuant to subsection 1 not resulting from gross negligence or reckless, willful or wanton conduct of the physician or physician assistant.
- 6. As used in this section:
- (a) "Authorized entity" has the meaning ascribed to it in NRS 450B.710.
- (b) "Private school" has the meaning ascribed to it in NRS 394.103.
- (Deleted by amendment.)
  - Sec. 26. [NRS 632.239 is hereby amended to read as follows:
- -632.239 1. An advanced practice registered nurse may issue to a public or private school an order to allow the school to obtain and maintain auto-injectable epinephrine or medication to treat asthma at the school, regardless of whether any person at the school has been diagnosed with a condition which may cause the person to require such medication for the treatment of anaphylaxis [.] or asthma, as applicable.
- 2. An advanced practice registered nurse may issue to an authorized entity an order to allow the authorized entity to obtain and maintain auto-injectable epinephrine at any location under the control of the authorized entity where allergens capable of causing anaphylaxis may be present, regardless of whether any person employed by, affiliated with or served by the authorized entity has been diagnosed with a condition which may cause the person to require such medication for the treatment of anaphylaxis.
- 3. An order issued pursuant to subsection 1 or 2 must contain:
- (a) The name and signature of the advanced practice registered nurse and the address of the advanced practice registered nurse if not immediately available to the pharmacist;
- (b) The classification of his or her license;
- (c) The name of the public or private school or authorized entity to which the order is issued;
- —(d) The name, strength and quantity of the drug authorized to be obtained and maintained by the order; and
- (e) The date of issue.
- 4. An advanced practice registered nurse is not subject to disciplinary action solely for issuing a valid order pursuant to subsection 1 or 2 to an entity other than a natural person and without knowledge of a specific natural person who requires the medication.

- 5. An advanced practice registered nurse is not liable for any error or omission concerning the acquisition, possession, provision or administration of [auto-injectable]:
- (a) Auto injectable epinephrine maintained by a public or private school or authorized entity pursuant to an order issued by the advanced practice registered nurse pursuant to subsection 1 or 2 not resulting from gross negligence or reckless, willful or wanton conduct of the advanced practice registered nurse.
- (b) Medication to treat asthma maintained by a public or private school pursuant to an order issued by the advanced practice registered nurse pursuant to subsection 1 not resulting from gross negligence or reckless, willful or wanton conduct of the advanced practice registered nurse.
- 6. As used in this section:
- (a) "Authorized entity" has the meaning ascribed to it in NRS 450B.710.
- (b) "Private school" has the meaning ascribed to it in NRS 394.103.
- (e) "Public school" has the meaning ascribed to it in NRS 385.007.] (Deleted by amendment.)
- Sec. 27. <del>INRS 632.347 is hereby amended to read as follows:</del>
- 632.347 1. The Board may deny, revoke or suspend any license or certificate applied for or issued pursuant to this chapter, or take other disciplinary action against a licensee or holder of a certificate, upon determining that the licensee or certificate holder:
- (a) Is guilty of fraud or deceit in procuring or attempting to procure a license or certificate pursuant to this chapter.
- (b) Is guilty of any offense:
- (1) Involving moral turnitude: or
- (2) Related to the qualifications, functions or duties of a licensee or holder of a certificate.
- in which case the record of conviction is conclusive evidence thereof.
- (e) Has been convicted of violating any of the provisions of NRS 616D.200, 616D.240 or 616D.300 to 616D.440, inclusive.
- (d) Is unfit or incompetent by reason of gross negligence or recklessness in earrying out usual nursing functions.
- (e)—Uses any controlled substance, dangerous drug as defined in chapter 454 of NRS, or intoxicating liquor to an extent or in a manner which is dangerous or injurious to any other person or which impairs his or her ability to conduct the practice authorized by the license or certificate.
- (f) Is a person with mental incompetence.
- (g) Is guilty of unprofessional conduct, which includes, but is not limited to the following:
- (1) Conviction of practicing medicine without a license in violation of chapter 630 of NRS, in which case the record of conviction is conclusive evidence thereof.

- (2) Impersonating any applicant or acting as proxy for an applicant in any examination required pursuant to this chapter for the issuance of a license or certificate.
- (3) Impersonating another licensed practitioner or holder of a certificate.
- (4) Permitting or allowing another person to use his or her license or eertificate to practice as a licensed practical nurse, registered nurse, nursing assistant or medication aide certified.
- (5) Repeated malpractice, which may be evidenced by claims of malpractice settled against the licensee or certificate holder.
  - (6) Physical, verbal or psychological abuse of a patient.
- (7) Conviction for the use or unlawful possession of a controlled substance or dangerous drug as defined in chapter 454 of NRS.
- (h) Has willfully or repeatedly violated the provisions of this chapter. The voluntary surrender of a license or certificate issued pursuant to this chapter is prima facic evidence that the licensee or certificate holder has committed or expects to commit a violation of this chapter.
- (i) Is guilty of aiding or abetting any person in a violation of this chapter.
- (j) Has falsified an entry on a patient's medical chart concerning a controlled substance.
- —(k) Has falsified information which was given to a physician, pharmacist, podiatrie physician or dentist to obtain a controlled substance.
- (1) Has knowingly procured or administered a controlled substance or a dangerous drug as defined in chapter 454 of NRS that is not approved by the United States Food and Drug Administration, unless the unapproved controlled substance or dangerous drug:
- (1) Was procured through a retail pharmacy licensed pursuant to chapter 639 of NRS;
- (2) Was procured through a Canadian pharmacy which is licensed pursuant to chapter 639 of NRS and which has been recommended by the State Board of Pharmacy pursuant to subsection 4 of NRS 639.2328:
- (3) Is marijuana being used for medical purposes in accordance with chapter 453A of NRS; or
- (4) Is an investigational drug or biological product prescribed to a patient pursuant to NRS 630.3735 or 633.6945.
- (m) Has been disciplined in another state in connection with a license to practice nursing or a certificate to practice as a nursing assistant or medication aide—certified, or has committed an act in another state which would constitute a violation of this chapter.
- (n) Has engaged in conduct likely to deceive, defraud or endanger a patient or the general public.
- (e) Has willfully failed to comply with a regulation, subpoena or order of the Board.
- (p) Has operated a medical facility at any time during which:
- (1) The license of the facility was suspended or revoked; or

- (2) An act or omission occurred which resulted in the suspension or revocation of the license pursuant to NRS 449.160.
- This paragraph applies to an owner or other principal responsible for the operation of the facility.
- —(q) Is an advanced practice registered nurse who has failed to obtain any training required by the Board pursuant to NRS 632.2375.
- (r) Is an advanced practice registered nurse who has failed to comply with the provisions of NRS 453.163, 453.164, 453.226, 639.23507, 639.2391 to 639.23916, inclusive, and any regulations adopted by the State Board of Pharmacy pursuant thereto.
- (s) Has engaged in the fraudulent, illegal, unauthorized or otherwise inappropriate prescribing, administering or dispensing of a controlled substance listed in schedule II. III or IV.
- (t) Has violated the provisions of NRS 454.217 or 629.086.
- 2. For the purposes of this section, a plea or verdict of guilty or guilty but mentally ill or a plea of nole contendere constitutes a conviction of an offense. The Board may take disciplinary action pending the appeal of a conviction.
- 3. A licensee or certificate holder is not subject to disciplinary action solely for administering auto-injectable epinephrine or medication to treat asthma pursuant to a valid order issued pursuant to NRS 630.374, 632.239 or 633.707.
- 4. As used in this section, "investigational drug or biological product" has the meaning ascribed to it in NRS 454.351.] (Deleted by amendment.)
- Sec. 28. [NRS 633.707 is hereby amended to read as follows:
- 633.707—1. An osteopathic physician or physician assistant may issue to a public or private school an order to allow the school to obtain and maintain auto-injectable epinephrine or medication to treat asthma at the school, regardless of whether any person at the school has been diagnosed with a condition which may cause the person to require such medication for the treatment of anaphylaxis [.] or asthma, as applicable.
- 2. An osteopathic physician or physician assistant may issue to an authorized entity an order to allow the authorized entity to obtain and maintain auto-injectable epinephrine at any location under the control of the authorized entity where allergens capable of causing anaphylaxis may be present, regardless of whether any person employed by, affiliated with or served by the authorized entity has been diagnosed with a condition which may cause the person to require such medication for the treatment of anaphylaxis.
- 3. An order issued pursuant to subsection 1 or 2 must contain:
- (a) The name and signature of the osteopathic physician or physician assistant and the address of the osteopathic physician or physician assistant if not immediately available to the pharmacist:
- (b) The classification of his or her license:
- (e) The name of the public or private school or authorized entity to which

- (d) The name, strength and quantity of the drug authorized to be obtained and maintained by the order: and
- (e) The date of issue.
- An osteopathic physician or physician assistant is not subject to disciplinary action solely for issuing a valid order pursuant to subsection 1 or 2 to an entity other than a natural person and without knowledge of a specific natural person who requires the medication.
- 5. An esteopathic physician or physician assistant is not liable for any error or omission concerning the acquisition, possession, provision or administration of [auto injectable] :
- (a) Auto injectable epinophrine maintained by a public or private school or authorized entity pursuant to an order issued by the osteopathic physician or physician assistant nursuant to subsection 1 or 2 not resulting from gross negligence or reckless, willful or wanton conduct of the osteopathic physician <del>or physician assistant.</del>
- (b) Medication to treat asthma maintained by a public or private school pursuant to an order issued by the osteopathic physician or physician assistant pursuant to subsection 1 not resulting from gross negligence or reckless, willful or wanton conduct of the osteopathic physician or physician assistant.
- 6 As used in this section:
- (a) "Authorized entity" has the meaning ascribed to it in NRS 450B.710.
- (b) "Private school" has the meaning ascribed to it in NRS 394.103.
- (c) "Public school" has the meaning ascribed to it in NRS 385.007.1 (Deleted by amendment.)
- Sec. 29. [NRS 639.2357 is hereby amended to read as follows:
- -639,2357 1. Upon the request of a patient, or a public or private school or an authorized entity for which an order was issued pursuant to NRS 630.374, 632.239 or 633.707, a registered pharmacist shall transfer a prescription or order to another registered pharmacist.
- A registered pharmacist who transfers a prescription or order pursuant to subsection 1 shall comply with any applicable regulations adopted by the Board relating to the transfer.
- 3. The provisions of this section do not authorize or require a pharmacist to transfer a prescription or order in violation of:
- (a) Any law or regulation of this State:
- (b) Federal law or regulation; or
- (e) A contract for payment by a third party if the patient is a party to that <del>contract.</del>
- 4. A pharmacist is not liable for any error or omission concerning the acquisition, possession, provision or administration of fauto-injectable):
- (a) Auto injectable epinophrine that the pharmacist has dispensed to a public or private school or authorized entity pursuant to an order issued pursuant to NRS 630.374, 632.239 or 633.707 not resulting from gross negligence or reckless, willful or wanton conduct of the pharmacist.

- (b) Medication to treat asthma that the pharmacist has dispensed to a public or private school pursuant to an order issued pursuant to NRS 630.374, 632.239 or 633.707 not resulting from gross negligence or reckless, willful or wanton conduct of the pharmacist.
- -5. As used in this section, "authorized entity" has the meaning ascribed to it in NRS 450B.710.] (Deleted by amendment.)
- *Sec.* 29.5. <u>Chapter 422A of NRS is hereby amended by adding thereto a</u> new section to read as follows:
- 1. The Diapering Resources Account is hereby created in the State General Fund. The Administrator of the Division of Public and Behavioral Health of the Department shall administer the Account.
- 2. Except as otherwise provided in subsection 3, the money in the Account must be expended to provide diapers and diapering supplies to recipients of public assistance and other low-income families in this State. The State Board of Health shall, upon the recommendation of the committee established pursuant to NRS 422A.660, adopt regulations prescribing:
- (a) The criteria for determining whether a person qualifies for assistance from the Account; and
- (b) The procedure for distributing money from the Account.
- 3. The Administrator may apply for and accept any gift, donation, bequest, grant or other source of money for the purpose prescribed by subsection 2. Any money so received must be deposited in the Account.
- 4. The interest and income earned on money in the Account from any gift, donation or bequest, after deducting any applicable charges, must be credited to the Account.
- 5. Money in the Account at the end of the fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.
- 6. *On or before December 31 of each year, the Division shall:*
- (a) Develop a report concerning the manner in which the money in the Account was distributed during the immediately preceding year, the persons to whom such money was distributed and the manner in which such money was used; and
- (b) Submit the report to the Director of the Legislative Counsel Bureau for transmittal to:
  - (1) In odd-numbered years, the Interim Finance Committee; and
  - (2) In even-numbered years, the next regular session of the Legislature.
- Sec. 30. 1. There is hereby appropriated from the State General Fund to the [Department of Health and Human Services] Diapering Resources Account created by section 29.5 of this act for [the purpose prescribed by subsection 2] expenditure in accordance with the provisions of that section the following sums:

For	the Fisca	I Year	2019-2020	 	 \$500,000
For	the Fisca	l Year	2020-2021	 	 \$500,000

- 2. [The Department of Health and Human Services shall use the money appropriated by subsection 1 to provide vouchers of \$25 per month on a first-come, first-served basis to participants in the special supplemental nutrition program for women, infants and children created by 42 U.S.C. § 1786 who are the parents of children who are less than 4 years of age for the purchase of diapers.
- 3.1 Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2020, and September 17, 2021, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, respectively.
- Sec. 31. 1. There is hereby appropriated from the State General Fund to the Division of Public and Behavioral Health of the Department of Health and Human Services to award grants to nonprofit organizations to pay for training and technical assistance concerning proper nutrition and physical activity for providers of child care the following sums:

For the Fiscal Year	2019-2020	\$50,000
For the Fiscal Year	2020-2021	\$50,000

- 2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2020, and September 17, 2021, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, respectively.
- Sec. 32. 1. There is hereby appropriated from the State General Fund to the Nevada Silver State Stars Quality Rating and Improvement System established by the Department of Education to award grants to providers of child care that participate in the System for the purposes described in subsection 2 the following sums:

For the Fiscal Year 2019-2020	. \$200,000
For the Fiscal Year 2020-2021	. \$200,000

- 2. A provider of child care that receives a grant pursuant to subsection 1 shall use the grant to improve facilities to facilitate the provision of high-quality, nutritious food and ample physical activity for children.
- 3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after

June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2020, and September 17, 2021, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, respectively.

Sec. 33. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

Sec. 34. [The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.] (Deleted by amendment.)

Sec. 35. This act becomes effective on July 1, 2019.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 87 makes three changes to Senate Bill No. 90. The amendment deletes all sections requiring health-insurance plans to include coverage for the cost of hearing aids for children; deletes all sections relating to schools obtaining and maintaining medication to treat asthma; amends section 30 to establish a Diapering Resources Account, and appropriates \$500,000 per annum to the Division of Public and Behavioral Health of the Department of Health and Human Services to provide diapers and diapering supplies to low-income households in Nevada.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 121.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary: Amendment No. 292.

SUMMARY—Revises provisions relating to fiduciaries. (BDR 13-99)

AN ACT relating to fiduciaries; adopting a power of attorney for health care decisions for persons with any form of dementia; revising provisions relating to the authority of a principal under a power of attorney; revising provisions governing the authority of public guardians to conduct certain investigations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth provisions governing durable powers of attorney for health care decisions. (NRS 162A.700-162A.865) Existing law specifically provides a form for a power of attorney for health care decisions and a form for a power of attorney for health care decisions for adults with intellectual disabilities. (NRS 162A.860, 162A.865) Section [11] 1.5 of this bill provides a form for a power of attorney for health care decisions for persons with any form of dementia that is based on the form for a power of attorney for health care decisions for adults with intellectual disabilities. Sections 4, 5 and 6 of this bill make conforming changes.

Sections 2 and 3 of this bill specify that a person who has executed a power of attorney for financial matters continues to have the authority to act on his or her own behalf and that any decision or instruction communicated by that person supersedes any decision or instruction communicated by an agent appointed under the power of attorney, unless the power of attorney removes this authority.

Existing law requires certain forms relating to the appointment of a guardian, a general power of attorney, a power of attorney for health care decisions and a power of attorney for health care decisions for an adult with an intellectual disability to be notarized with a declaration from the notary public declaring under penalty of perjury that the persons whose names are on the form appear to be of sound mind and under no duress, fraud or undue influence. (NRS 159.0753, 162A.620, 162A.860, 162A.865) Sections 1, 3, 6 and 6.5 of this bill remove the declaration required by a notary public. Section 1.5 removes the same declaration for the form for a power of attorney for health care decisions for persons with any form of dementia.

Existing law authorizes a public guardian to: (1) investigate the financial status, assets and personal and family history of any person for whom the public guardian has been appointed as guardian, without hiring or being licensed as a private investigator in accordance with existing law; and (2) require any person for whom the public guardian has been appointed as guardian or any spouse, parent, child or other relative of that person to give any information or execute any written requests or authorizations necessary to provide the public guardian with access to records needed by the public guardian. (NRS 253.220) Section 7 of this bill authorizes the public guardian of any county to take such actions with respect to a protected person. Section 7 additionally authorizes a public guardian of a county with a population of less than 100,000 to petition a court to take these actions with respect to any potential protected person for whom the public guardian has received a referral from the Aging and Disability Services Division of the Department of Health and Human Services, a law enforcement agency or a court in connection with a civil or criminal matter relating to the potential protected person. Section 7 defines "potential protected person" and "protected person" for the purposes of this section.

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

Section 1. NRS 159.0753 is hereby amended to read as follows:

159.0753 1. Any person who wishes to request to nominate another person to be appointed as his or her guardian may do so by completing a form requesting to nominate a guardian in accordance with this section.

- 2. A form requesting to nominate a guardian must be:
- (a) Signed by the person requesting to nominate a guardian;
- (b) Signed by two impartial adult witnesses who have no interest, financial or otherwise, in the estate of the person requesting to nominate a guardian and

who attest that the person has the mental capacity to understand and execute the form; and

- (c) Notarized.
- 3. A request to nominate a guardian may be in substantially the following form, and must be witnessed and executed in the same manner as the following form:

# REQUEST TO NOMINATE GUARDIAN

- I, ....... (insert your name), residing at ....... (insert your address), am executing this notarized document as my written declaration and request for the person(s) designated below to be appointed as my guardian should it become necessary. I am advising the court and all persons and entities as follows:
- 1. As of the date I am executing this request to nominate a guardian, I have the mental capacity to understand and execute this request.
- 2. This request pertains to a (circle one): (guardian of the person)/(guardian of the estate)/(guardian of the person and estate).
- 3. Should the need arise, I request that the court give my preference to the person(s) designated below to serve as my appointed guardian.
- 4. I request that my ....... (insert relation), ...... (insert name), serve as my appointed guardian.
- 5. If ........ (insert name) is unable or unwilling to serve as my appointed guardian, then I request that my ....... (insert relation), ...... (insert name), serve as my appointed guardian.
- 6. I do not, under any circumstances, desire to have any private, for-profit guardian serve as my appointed guardian.

# (YOU MUST DATE AND SIGN THIS DOCUMENT)

I sign my name to this document on ...... (date)

(Signature)

# (YOU MUST HAVE TWO QUALIFIED ADULT WITNESSES DATE AND SIGN THIS DOCUMENT)

I declare under penalty of perjury that the principal is personally known to me, that the principal signed this request to nominate a guardian in my presence, that the principal appears to be of sound mind, has the mental capacity to understand and execute this document and is under no duress, fraud or undue influence, and that I have no interest, financial or otherwise, in the estate of the principal.

(Signature of first witness)
(Print name)
(Date)
(Signature of second witness)

(Print name)
.....(Date)

CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC

2713

State of Nevada }
County of ......}

On this ..... day of ......, in the year ...., before me, ........ (insert name of notary public), personally appeared ......... (insert name of principal), ......... (insert name of first witness) and ......... (insert name of second witness), personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to this instrument, and acknowledged that they have signed this instrument. [I declare under penalty of perjury that the persons whose names are subscribed to this instrument appear to be of sound mind and under no duress, fraud or undue influence.]

(Signature of notarial officer)
(Seal, if any)

4. The Secretary of State shall make the form established in subsection 3 available on the Internet website of the Secretary of State.

5. The Secretary of State may adopt any regulations necessary to carry out the provisions of this section.

[Section 1.] Sec. 1.5. Chapter 162A of NRS is hereby amended by adding thereto a new section to read as follows:

1. The form of a power of attorney for health care for an adult with any form of dementia may be substantially in the following form, and must be witnessed or executed in the same manner as the following form:

# DURABLE POWER OF ATTORNEY FOR HEALTH CARE DECISIONS

My name is ....... (insert your name) and my address is ........ (insert your address). I would like to designate ....... (insert the name of the person you wish to designate as your agent for health care decisions for you) as my agent for health care decisions for me if I am sick or hurt and need to see a doctor or go to the hospital. I understand what this means.

If I am sick or hurt, my agent should take me to the doctor. If my agent is not with me when I become sick or hurt, please contact my agent and ask him or her to come to the doctor's office. I would like the doctor to speak with my agent and, if I have the capacity to understand, me about my sickness or injury and whether I need any medicine or other treatment. After we speak with the doctor, if I have the capacity to understand, I would like my agent to speak with me about the care or treatment. When we have made decisions about the

care or treatment, my agent will tell the doctor about our decisions and sign any necessary papers.

If I am very sick or hurt, I may need to go to the hospital. I would like my agent to help me decide if I need to go to the hospital. If I go to the hospital, I would like the people who work at the hospital to try very hard to care for me. If I am able to communicate, I would like the doctor at the hospital to speak with me and my agent about what care or treatment I should receive, even if I am unable to understand what is being said about me. After we speak with the doctor, I would like my agent to help me decide what care or treatment I should receive. Once we decide, my agent will sign any necessary paperwork. If I am unable to communicate because of my illness or injury, I would like my agent to make decisions about my care or treatment based on what he or she thinks I would do and what is best for me.

I would like my agent to help me decide if I need to see a dentist and help me make decisions about what care or treatment I should receive from the dentist. Once we decide, my agent will sign any necessary paperwork.

I would also like my agent to be able to see and have copies of all my medical records. If my agent requests to see or have copies of my medical records, please allow him or her to see or have copies of the records.

I understand that my agent cannot make me receive any care or treatment that I do not want. I also understand that I can take away this power from my agent at any time, either by telling my agent that he or she is no longer my agent or by putting it in writing.

If my agent is unable to make health care decisions for me, then I designate ........ (insert the name of another person you wish to designate as your alternative agent to make health care decisions for you) as my agent to make health care decisions for me as authorized in this document.

(Signature)

#### AGENT SIGNATURE

As agent for ..... (insert name of principal), I agree that a physician, health care facility or other provider of health care, acting in good faith, may rely on this power of attorney for health care and the signatures herein, and I understand that pursuant to NRS 162A.815, a physician, health care facility or other provider of health care that in good faith accepts an acknowledged power of attorney for health care is not subject to civil or criminal liability or discipline for

unprofessional conduct for giving effect to a declaration contained within the power of attorney for health care or for following the direction of an agent named in the power of attorney for health care. I also agree that:

- 1. I have a duty to act in a manner consistent with the desires of ..... (insert name of principal) as stated in this document or otherwise made known by ..... (insert name of principal), or if his or her desires are unknown, to act in his or her best interest.
- 2. If ..... (insert name of principal) revokes this power of attorney at any time, either verbally or in writing, I have a duty to inform any persons who may rely on this document, including, without limitation, treating physicians, hospital staff or other providers of health care, that I no longer have the authorities described in this document.
- 3. The provisions of NRS 162A.840 prohibit me from being named as an agent to make health care decisions in this document if I am a provider of health care, an employee of the principal's provider of health care or an operator or employee of a health care facility caring for the principal, unless I am the spouse, legal guardian or next of kin of the principal.
- 4. The provisions of NRS 162A.850 prohibit me from consenting to the following types of care or treatments on behalf of the principal, including, without limitation:
- (a) Commitment or placement of the principal in a facility for treatment of mental illness;
  - (b) Convulsive treatment;
  - (c) Psychosurgery;
  - (d) Sterilization;
  - (e) Abortion;
  - (f) Aversive intervention, as it is defined in NRS 449A.203;
- (g) Experimental medical, biomedical or behavioral treatment, or participation in any medical, biomedical or behavioral research program; or
- (h) Any other care or treatment to which the principal prohibits the agent from consenting in this document.
- 5. End-of-life decisions must be made according to the wishes of ..... (insert name of principal), as designated in the attached addendum. If his or her wishes are not known, such decisions must be made in consultation with the principal's treating physicians.

Signature:	Residence Address:	
Print Name:		
Date:		
Relationship to principal:		
Length of relationship to principal:		
THIS DOWED OF ATTORNEY		

(THIS POWER OF ATTORNEY WILL NOT BE VALID FOR MAKING HEALTH CARE DECISIONS UNLESS IT IS EITHER (1) SIGNED BY AT LEAST TWO QUALIFIED WITNESSES WHO YOU KNOW AND WHO ARE PRESENT WHEN YOU SIGN OR ACKNOWLEDGE YOUR SIGNATURE OR (2) ACKNOWLEDGED BEFORE A NOTARY PUBLIC.)

CERTIFICATE OF ACKNOWLEDGMENT
OF NOTARY PUBLIC
(You may use acknowledgment before a notary public instead of the
statement of witnesses.)
State of Nevada }
}ss.
<i>County of</i> }
On this day of, in the year, before me, (here insert
name of notary public) personally appeared (here insert name of
principal) personally known to me (or proved to me on the basis of
satisfactory evidence) to be the person whose name is subscribed to
this instrument, and acknowledged that he or she executed it. H
declare under penalty of perjury that the person whose name is
ascribed to this instrument appears to be of sound mind and under no
duress, fraud or undue influence.
NOTARY SEAL
(Signature)
STATEMENT OF WITNESSES
(If you choose to use witnesses instead of having this document
notarized, you must use two qualified adult witnesses. The following
people cannot be used as a witness: (1) a person you designate as the
agent; (2) a provider of health care; (3) an employee of a provider of

he health care; (4) the operator of a health care facility; or (5) an employee of an operator of a health care facility. At least one of the witnesses must make the additional declaration set out following the place where the witnesses sign.)

I declare under penalty of perjury that the principal is personally known to me, that the principal signed or acknowledged this durable power of attorney in my presence, that the principal appears to be of sound mind and under no duress, fraud or undue influence, that I am not the person appointed as agent by this document and that I am not a provider of health care, an employee of a provider of health care, the operator of a health care facility or an employee of an operator of a health care facility.

Signature:	Residence Address:
Print Name:	
Date:	
Signature:	
Print Name:	
Date:	

# (AT LEAST ONE OF THE ABOVE WITNESSES MUST ALSO SIGN THE FOLLOWING DECLARATION.)

I declare under penalty of perjury that I am not related to the principal by blood, marriage or adoption and that to the best of my knowledge, I am not entitled to any part of the estate of the principal upon the death of the principal under a will now existing or by

	operation of law.
	Signature:
	Signature:
	Names:Address:Address:
	Print Name:
	Date:
	COPIES: You should retain an executed copy of this document and
	give one to your agent. The power of attorney should be available so
	a copy may be given to your providers of health care.
2.	The form for end-of-life decisions of a power of attorney for health care
for ar	adult with any form of dementia may be substantially in the following
form,	and must be witnessed or executed in the same manner as the following

form:

### END-OF-LIFE DECISIONS ADDENDUM STATEMENT OF DESIRES

(You can, but are not required to, state what you want to happen if you get very sick and are not likely to get well. You do not have to complete this form, but if you do, your agent must do as you ask if you cannot speak for yourself.)

...... (Insert name of agent) might have to decide, if you get very sick, whether to continue with your medicine or to stop your medicine, even if it means you might not live, ...... (Insert name of agent) will talk to you to find out what you want to do, and will follow your wishes.

If you are not able to talk to ...... (insert name of agent), you can help him or her make these decisions for you by letting your agent know what you want.

Here are your choices. Please circle yes or no to each of the following statements and sign your name below:

- 1. I want to take all the medicine and receive any treatment I can to keep me alive regardless of how the medicine or treatment or receive treatment. 2. I do not want to take medicine or receive treatment if my doctors think that the
- medicine or treatment will not help me.

YES NO

3. I do not want to take medicine or		
receive treatment if I am very sick and suffering and the medicine or treatment will		
not help me get better.	YES	NO
1 0	IES	NO
4. I want to get food and water even if I		
do not want to take medicine or receive	VEC	NO
treatment.	YES	
(YOU MUST DATE AND SIGN THIS END-OF	F-LIFE DE	CISIONS
ADDENDUM)	4 1 1 1	
I sign my name to this End-of-Life Decisions	Aaaenaun	1 on
(date) at (city), (state)		
	(C: t	
	(Signature)	
(THIS END-OF-LIFE DECISIONS ADDENDED		
VALID UNLESS IT IS EITHER (1) SIGNE		
TWO QUALIFIED WITNESSES WHO YOU KNO		
PRESENT WHEN YOU SIGN OR ACKNOWLEDGED IN		
SIGNATURE; OR (2) ACKNOWLEDGED BE	FORE A	NOTARY
PUBLIC.)	~1.451.75	
CERTIFICATE OF ACKNOWLEDG	<i>jMENT</i>	
OF NOTARY PUBLIC		
(You may use acknowledgment before a notary p	public inste	ad of the
statement of witnesses.)		
State of Nevada }		
}ss.		
<i>County of</i> }		
On this day of, in the year, before		
name of notary public) personally appeared		
principal) personally known to me (or proved to	o me on the	e basis of
satisfactory evidence) to be the person whose no	ame is subs	cribed to
this instrument, and acknowledged that he or	she execu	ted it. [ <del>]</del>
declare under penalty of perjury that the per	son whose	name is
ascribed to this instrument appears to be of sound	<del>d mind and</del>	<del>under no</del>
duress, fraud or undue influence.]		
NOTARY SEAL		
	(Signature)	1
STATEMENT OF WITNESSE		
(If you choose to use witnesses instead of ho	wing this	document

(If you choose to use witnesses instead of having this document notarized, you must use two qualified adult witnesses. The following people cannot be used as a witness: (1) a person you designate as the agent; (2) a provider of health care; (3) an employee of a provider of health care; (4) the operator of a health care facility; or (5) an employee of an operator of a health care facility. At least one of the

witnesses must make the additional declaration set out following the place where the witnesses sign.)

I declare under penalty of perjury that the principal is personally known to me, that the principal signed or acknowledged this End-of-Life Decisions Addendum in my presence, that the principal appears to be of sound mind and under no duress, fraud or undue influence, that I am not the person appointed as agent by the power of attorney for health care and that I am not a provider of health care, an employee of a provider of health care, the operator of a health care facility or an employee of an operator of a health care facility.

Signature:	Residence Address:
Print Name:	
Date:	
Signature:	Residence Address:
Print Name:	
Date:	

# (AT LEAST ONE OF THE ABOVE WITNESSES MUST ALSO SIGN THE FOLLOWING DECLARATION.)

I declare under penalty of perjury that I am not related to the principal by blood, marriage or adoption and that to the best of my knowledge, I am not entitled to any part of the estate of the principal upon the death of the principal under a will now existing or by operation of law.

Signature:		
Signature:		
Names:	Address:	
Print Name:		
Date:		

COPIES: You should retain an executed copy of this document and give one to your agent. The End-of-Life Decisions Addendum should be available so a copy may be given to your providers of health care.

# Sec. 2. NRS 162A.460 is hereby amended to read as follows:

- $162A.460\,$  1. Except as otherwise provided in NRS 162A.450, if a power of attorney grants to an agent authority to do all acts that a principal could do or refers to general authority or cites a section of NRS 162A.200 to 162A.660, inclusive, in which the authority is described, the agent has the general authority described in NRS 162A.200 to 162A.660, inclusive.
- 2. A reference in a power of attorney to any part of a section in NRS 162A.200 to 162A.660, inclusive, incorporates the entire section as if it were set out in full in the power of attorney.
  - 3. A principal may modify authority incorporated by reference.
- 4. Except as otherwise provided in NRS 162A.450, if the subjects over which authority is granted in a power of attorney are similar or overlap, the broadest authority controls.

- 5. Authority granted in a power of attorney is exercisable with respect to property that the principal has when the power of attorney is executed or acquires later, whether or not the property is located in this State and whether or not the authority is exercised or the power of attorney is executed in this State.
- 6. An act performed by an agent pursuant to a power of attorney has the same effect and inures to the benefit of and binds the principal and the principal's successors in interest as if the principal had performed the act.
- 7. Except as otherwise expressly provided in a power of attorney, the authority of a principal to act on his or her own behalf continues after executing a power of attorney and any decision or instruction communicated by the principal supersedes any inconsistent decision or instruction communicated by an agent pursuant to a power of attorney.
  - Sec. 3. NRS 162A.620 is hereby amended to read as follows:
- 162A.620 A document substantially in the following form may be used to create a statutory form power of attorney that has the meaning and effect prescribed by NRS 162A.200 to 162A.660, inclusive:

#### STATUTORY FORM POWER OF ATTORNEY

THIS IS AN IMPORTANT LEGAL DOCUMENT. IT CREATES A DURABLE POWER OF ATTORNEY FOR FINANCIAL MATTERS. BEFORE EXECUTING THIS DOCUMENT, YOU SHOULD KNOW THESE IMPORTANT FACTS:

- 1. THIS DOCUMENT GIVES THE PERSON YOU DESIGNATE AS YOUR AGENT THE POWER TO MAKE DECISIONS CONCERNING YOUR PROPERTY FOR YOU. YOUR AGENT WILL BE ABLE TO MAKE DECISIONS AND ACT WITH RESPECT TO YOUR PROPERTY (INCLUDING YOUR MONEY) WHETHER OR NOT YOU ARE ABLE TO ACT FOR YOURSELF.
- 2. THIS POWER OF ATTORNEY BECOMES EFFECTIVE IMMEDIATELY UNLESS YOU STATE OTHERWISE IN THE SPECIAL INSTRUCTIONS.
- 3. THIS POWER OF ATTORNEY DOES NOT AUTHORIZE THE AGENT TO MAKE HEALTH CARE DECISIONS FOR YOU.
- 4. THE PERSON YOU DESIGNATE IN THIS DOCUMENT HAS A DUTY TO ACT CONSISTENT WITH YOUR DESIRES AS STATED IN THIS DOCUMENT OR OTHERWISE MADE KNOWN OR, IF YOUR DESIRES ARE UNKNOWN, TO ACT IN YOUR BEST INTERESTS.
- 5. YOU SHOULD SELECT SOMEONE YOU TRUST TO SERVE AS YOUR AGENT. UNLESS YOU SPECIFY OTHERWISE, GENERALLY THE AGENT'S AUTHORITY WILL CONTINUE UNTIL YOU DIE OR REVOKE THE POWER OF ATTORNEY OR THE AGENT RESIGNS OR IS UNABLE TO ACT FOR YOU.

- 6. YOUR AGENT IS ENTITLED TO REASONABLE COMPENSATION UNLESS YOU STATE OTHERWISE IN THE SPECIAL INSTRUCTIONS.
- 7. THIS FORM PROVIDES FOR DESIGNATION OF ONE AGENT. IF YOU WISH TO NAME MORE THAN ONE AGENT YOU MAY NAME A CO-AGENT IN THE SPECIAL INSTRUCTIONS. CO-AGENTS ARE NOT REQUIRED TO ACT TOGETHER UNLESS YOU INCLUDE THAT REQUIREMENT IN THE SPECIAL INSTRUCTIONS.
- 8. IF YOUR AGENT IS UNABLE OR UNWILLING TO ACT FOR YOU, YOUR POWER OF ATTORNEY WILL END UNLESS YOU HAVE NAMED A SUCCESSOR AGENT. YOU MAY ALSO NAME A SECOND SUCCESSOR AGENT.
- 9. YOU HAVE THE RIGHT TO REVOKE THE AUTHORITY GRANTED TO THE PERSON DESIGNATED IN THIS DOCUMENT.
- 10. THIS DOCUMENT REVOKES ANY PRIOR DURABLE POWER OF ATTORNEY.
- 11. IF THERE IS ANYTHING IN THIS DOCUMENT THAT YOU DO NOT UNDERSTAND, YOU SHOULD ASK A LAWYER TO EXPLAIN IT TO YOU.
  - 1. DESIGNATION OF AGENT.

I, (insert your name) do hereby designate and appoint:
Name:
Address:
Telephone Number:
as my agent to make decisions for me and in my name, place and
stead and for my use and benefit and to exercise the powers a
authorized in this document.

#### 2. DESIGNATION OF ALTERNATE AGENT.

(You are not required to designate any alternative agent but you may do so. Any alternative agent you designate will be able to make the same decisions as the agent designated above in the event that he or she is unable or unwilling to act as your agent. Also, if the agent designated in paragraph 1 is your spouse, his or her designation as your agent is automatically revoked by law if your marriage is dissolved.)

If my agent is unable or unwilling to act for me, then I designate the following person(s) to serve as my agent as authorized in this document, such person(s) to serve in the order listed below:

A.	First Alternative Agent
	Name:
	Address:
	Telephone Number:

### B. Second Alternative Agent

Name:	
	•••••
Telephone Number:	

### 3. OTHER POWERS OF ATTORNEY.

This Power of Attorney is intended to, and does, revoke any prior Power of Attorney for financial matters I have previously executed.

#### 4. NOMINATION OF GUARDIAN.

If, after execution of this Power of Attorney, proceedings seeking an adjudication of incapacity are initiated either for my estate or my person, I hereby nominate as my guardian or conservator for consideration by the court my agent herein named, in the order named.

#### 5. GRANT OF GENERAL AUTHORITY.

I grant my agent and any successor agent(s) general authority to act for me with respect to the following subjects:

(INITIAL each subject you want to include in the agent's general authority. If you wish to grant general authority over all of the subjects you may initial "All Preceding Subjects" instead of initialing each subject.)

- [...] Real Property
- [...] Tangible Personal Property
- [...] Stocks and Bonds
- [...] Commodities and Options
- [...] Banks and Other Financial Institutions
- [...] Safe Deposit Boxes
- [...] Operation of Entity or Business
- [...] Insurance and Annuities
- [...] Estates, Trusts and Other Beneficial Interests
- [...] Legal Affairs, Claims and Litigation
- [...] Personal Maintenance
- [...] Benefits from Governmental Programs or Civil or Military Service
- [...] Retirement Plans
- [...] Taxes
- [...] All Preceding Subjects
  - 6. GRANT OF SPECIFIC AUTHORITY.

My agent MAY NOT do any of the following specific acts for me UNLESS I have INITIALED the specific authority listed below:

(CAUTION: Granting any of the following will give your agent the authority to take actions that could significantly reduce your property or change how your property is distributed at your death. INITIAL ONLY the specific authority you WANT to give your agent.)

[...] Create, amend, revoke or terminate an inter vivos, family, living, irrevocable or revocable trust

- [...] Make a gift, subject to the limitations of NRS and any special instructions in this Power of Attorney
- [...] Create or change rights of survivorship
- [...] Create or change a beneficiary designation
- [...] Waive the principal's right to be a beneficiary of a joint and survivor annuity, including a survivor benefit under a retirement plan
- [...] Exercise fiduciary powers that the principal has authority to delegate
- [...] Disclaim or refuse an interest in property, including a power of appointment

#### 7. LIMITATION ON AGENT'S AUTHORITY.

An agent that is not my spouse MAY NOT use my property to benefit the agent or a person to whom the agent owes an obligation of support unless I have included that authority in the Special Instructions.

	 	 	 	DITIONA	
	 	 	 •••••	•••••	
				•••••	•

#### 9. AUTHORITY OF PRINCIPAL.

Except as otherwise expressly provided in this Power of Attorney, the authority of a principal to act on his or her own behalf continues after executing this Power of Attorney and any decision or instruction communicated by the principal supersedes any inconsistent decision or instruction communicated by an agent appointed pursuant to this Power of Attorney.

- [9.] 10. DURABILITY AND EFFECTIVE DATE. (INITIAL the clause(s) that applies.)
- [...] DURABLE. This Power of Attorney shall not be affected by my subsequent disability or incapacity.
- [...] SPRINGING POWER. It is my intention and direction that my designated agent, and any person or entity that my designated agent may transact business with on my behalf, may rely on a written medical opinion issued by a licensed medical doctor stating that I am disabled or incapacitated, and incapable of managing my affairs, and that said medical opinion shall establish whether or not I am under a disability for the purpose of establishing the authority of my designated agent to act in accordance with this Power of Attorney.
- [...] I wish to have this Power of Attorney become effective on the following date: ...
- [...] I wish to have this Power of Attorney end on the following date: ...

Third parties may rely upon the validity of this Power of Attorney or a copy and the representations of my agent as to all matters relating to any power granted to my agent, and no person or agency who relies upon the representation of my agent, or the authority granted by my agent, shall incur any liability to me or my estate as a result of permitting my agent to exercise any power unless a third party knows or has reason to know this Power of Attorney has terminated or is invalid.

### [11.] 12. RELEASE OF INFORMATION.

I agree to, authorize and allow full release of information, by any government agency, business, creditor or third party who may have information pertaining to my assets or income, to my agent named herein.

[12.] 13. SIGNATURE AND ACKNOWLEDGMENT. YOU MUST DATE AND SIGN THIS POWER OF ATTORNEY. THIS POWER OF ATTORNEY WILL NOT BE VALID UNLESS IT IS ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

POWER OF ATTORNEY WILL N		
ACKNOWLEDGED BEFORE A NOTARY PUBLIC.		
I sign my name to this Power of Attorney on (date) at		
(city), (state)		
	(Signature)	
CERTIFICATE OF ACKNOW	LEDGMENT OF NOTARY	
PUBL	IC	
(You may use acknowledgment before	ore a notary public instead of the	
statement of witnesses.)		
State of Nevada	}	
	}ss.	
County of	}	
On this day of, in the year	ar, before me, (here	
insert name of notary public) perso	onally appeared (here	
insert name of principal) personally l	known to me (or proved to me on	
the basis of satisfactory evidence) t	to be the person whose name is	
subscribed to this instrument, and	acknowledged that he or she	
executed it. [I declare under penalty	of perjury that the person whose	
nama is assailed to this instrument		

NOTARY SEAL .....

under no duress, fraud or undue influence.]

# (Signature of Notary Public)

# IMPORTANT INFORMATION FOR AGENT

1. Agent's Duties. When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes upon you legal duties that continue until you resign or the Power of Attorney is terminated or revoked. You must:

- (a) Do what you know the principal reasonably expects you to do with the principal's property or, if you do not know the principal's expectations, act in the principal's best interest;
  - (b) Act in good faith;
- (c) Do nothing beyond the authority granted in this Power of Attorney; and
- (d) Disclose your identity as an agent whenever you act for the principal by writing or printing the name of the principal and signing your own name as "agent" in the following manner:

(Principal's Name) by (Your Signature) as Agent

- 2. Unless the Special Instructions in this Power of Attorney state otherwise, you must also:
  - (a) Act loyally for the principal's benefit;
- (b) Avoid conflicts that would impair your ability to act in the principal's best interest;
  - (c) Act with care, competence, and diligence;
- (d) Keep a record of all receipts, disbursements and transactions made on behalf of the principal;
- (e) Cooperate with any person that has authority to make health care decisions for the principal to do what you know the principal reasonably expects or, if you do not know the principal's expectations, to act in the principal's best interest; and
- (f) Attempt to preserve the principal's estate plan if you know the plan and preserving the plan is consistent with the principal's best interest.
- 3. Termination of Agent's Authority. You must stop acting on behalf of the principal if you learn of any event that terminates this Power of Attorney or your authority under this Power of Attorney. Events that terminate a Power of Attorney or your authority to act under a Power of Attorney include:
  - (a) Death of the principal;
- (b) The principal's revocation of the Power of Attorney or your authority;
- (c) The occurrence of a termination event stated in the Power of Attorney;
- (d) The purpose of the Power of Attorney is fully accomplished; or
  - (e) If you are married to the principal, your marriage is dissolved.
- 4. Liability of Agent. The meaning of the authority granted to you is defined in NRS 162A.200 to 162A.660, inclusive. If you violate NRS 162A.200 to 162A.660, inclusive, or act outside the authority granted in this Power of Attorney, you may be liable for any damages caused by your violation.

- 5. If there is anything about this document or your duties that you do not understand, you should seek legal advice.
- Sec. 4. NRS 162A.700 is hereby amended to read as follows:
- 162A.700 NRS 162A.700 to 162A.865, inclusive, *and section* [11] 1.5 of this act apply to any power of attorney containing the authority to make health care decisions.
  - Sec. 5. NRS 162A.710 is hereby amended to read as follows:
- 162A.710 As used in NRS 162A.700 to 162A.865, inclusive, *and section* [11] 1.5 of this act, unless the context otherwise requires, the words and terms defined in NRS 162A.720 to 162A.780, inclusive, have the meanings ascribed to them in those sections.
  - Sec. 6. NRS 162A.860 is hereby amended to read as follows:
- 162A.860 Except as otherwise provided in NRS 162A.865, *and section* [44] 1.5 of this act, the form of a power of attorney for health care may be substantially in the following form, and must be witnessed or executed in the same manner as the following form:

# DURABLE POWER OF ATTORNEY FOR HEALTH CARE DECISIONS

WARNING TO PERSON EXECUTING THIS DOCUMENT THIS IS AN IMPORTANT LEGAL DOCUMENT. IT CREATES A DURABLE POWER OF ATTORNEY FOR HEALTH CARE. BEFORE EXECUTING THIS DOCUMENT, YOU SHOULD KNOW THESE IMPORTANT FACTS:

- 1. THIS DOCUMENT GIVES THE PERSON YOU DESIGNATE AS YOUR AGENT THE POWER TO MAKE HEALTH CARE DECISIONS FOR YOU. THIS POWER IS SUBJECT TO ANY LIMITATIONS OR STATEMENT OF YOUR DESIRES THAT YOU INCLUDE IN THIS DOCUMENT. THE POWER TO MAKE HEALTH CARE DECISIONS FOR YOU MAY INCLUDE CONSENT, REFUSAL OF CONSENT OR WITHDRAWAL OF CONSENT TO ANY CARE, TREATMENT, SERVICE OR PROCEDURE TO MAINTAIN, DIAGNOSE OR TREAT A PHYSICAL OR MENTAL CONDITION. YOU MAY STATE IN THIS DOCUMENT ANY TYPES OF TREATMENT OR PLACEMENTS THAT YOU DO NOT DESIRE.
- 2. THE PERSON YOU DESIGNATE IN THIS DOCUMENT HAS A DUTY TO ACT CONSISTENT WITH YOUR DESIRES AS STATED IN THIS DOCUMENT OR OTHERWISE MADE KNOWN OR, IF YOUR DESIRES ARE UNKNOWN, TO ACT IN YOUR BEST INTERESTS.
- 3. EXCEPT AS YOU OTHERWISE SPECIFY IN THIS DOCUMENT, THE POWER OF THE PERSON YOU DESIGNATE TO MAKE HEALTH CARE DECISIONS FOR YOU MAY INCLUDE THE POWER TO CONSENT TO YOUR

DOCTOR NOT GIVING TREATMENT OR STOPPING TREATMENT WHICH WOULD KEEP YOU ALIVE.

- 4. UNLESS YOU SPECIFY A SHORTER PERIOD IN THIS DOCUMENT, THIS POWER WILL EXIST INDEFINITELY FROM THE DATE YOU EXECUTE THIS DOCUMENT AND, IF YOU ARE UNABLE TO MAKE HEALTH CARE DECISIONS FOR YOURSELF, THIS POWER WILL CONTINUE TO EXIST UNTIL THE TIME WHEN YOU BECOME ABLE TO MAKE HEALTH CARE DECISIONS FOR YOURSELF.
- 5. NOTWITHSTANDING THIS DOCUMENT, YOU HAVE THE RIGHT TO MAKE MEDICAL AND OTHER HEALTH CARE DECISIONS FOR YOURSELF SO LONG AS YOU CAN GIVE INFORMED CONSENT WITH RESPECT TO THE PARTICULAR DECISION. IN ADDITION, NO TREATMENT MAY BE GIVEN TO YOU OVER YOUR OBJECTION, AND HEALTH CARE NECESSARY TO KEEP YOU ALIVE MAY NOT BE STOPPED IF YOU OBJECT.
- 6. YOU HAVE THE RIGHT TO REVOKE THE APPOINTMENT OF THE PERSON DESIGNATED IN THIS DOCUMENT TO MAKE HEALTH CARE DECISIONS FOR YOU BY NOTIFYING THAT PERSON OF THE REVOCATION ORALLY OR IN WRITING.
- 7. YOU HAVE THE RIGHT TO REVOKE THE AUTHORITY GRANTED TO THE PERSON DESIGNATED IN THIS DOCUMENT TO MAKE HEALTH CARE DECISIONS FOR YOU BY NOTIFYING THE TREATING PHYSICIAN, HOSPITAL OR OTHER PROVIDER OF HEALTH CARE ORALLY OR IN WRITING.
- 8. THE PERSON DESIGNATED IN THIS DOCUMENT TO MAKE HEALTH CARE DECISIONS FOR YOU HAS THE RIGHT TO EXAMINE YOUR MEDICAL RECORDS AND TO CONSENT TO THEIR DISCLOSURE UNLESS YOU LIMIT THIS RIGHT IN THIS DOCUMENT.
- 9. THIS DOCUMENT REVOKES ANY PRIOR DURABLE POWER OF ATTORNEY FOR HEALTH CARE.
- 10. IF THERE IS ANYTHING IN THIS DOCUMENT THAT YOU DO NOT UNDERSTAND, YOU SHOULD ASK A LAWYER TO EXPLAIN IT TO YOU.

1.	DESIGNATION OF HEALTH CARE AGENT.
I,	
(inser	t your name) do hereby designate and appoint:
	Name:
	Address:
	Telephone Number:

as my agent to make health care decisions for me as authorized in this document.

(Insert the name and address of the person you wish to designate as your agent to make health care decisions for you. Unless the person is also your spouse, legal guardian or the person most closely related to you by blood, none of the following may be designated as your agent: (1) your treating provider of health care; (2) an employee of your treating provider of health care; (3) an operator of a health care facility; or (4) an employee of an operator of a health care facility.)

# 2. CREATION OF DURABLE POWER OF ATTORNEY FOR HEALTH CARE.

By this document I intend to create a durable power of attorney by appointing the person designated above to make health care decisions for me. This power of attorney shall not be affected by my subsequent incapacity.

#### 3. GENERAL STATEMENT OF AUTHORITY GRANTED.

In the event that I am incapable of giving informed consent with respect to health care decisions, I hereby grant to the agent named above full power and authority: to make health care decisions for me before or after my death, including consent, refusal of consent or withdrawal of consent to any care, treatment, service or procedure to maintain, diagnose or treat a physical or mental condition; to request, review and receive any information, verbal or written, regarding my physical or mental health, including, without limitation, medical and hospital records; to execute on my behalf any releases or other documents that may be required to obtain medical care and/or medical and hospital records, EXCEPT any power to enter into any arbitration agreements or execute any arbitration clauses in connection with admission to any health care facility including any skilled nursing facility; and subject only to the limitations and special provisions, if any, set forth in paragraph 4 or 6.

#### 4. SPECIAL PROVISIONS AND LIMITATIONS.

(Your agent is not permitted to consent to any of the following: commitment to or placement in a mental health treatment facility, convulsive treatment, psychosurgery, sterilization or abortion. If there are any other types of treatment or placement that you do not want your agent's authority to give consent for or other restrictions you wish to place on his or her agent's authority, you should list them in the space below. If you do not write any limitations, your agent will have the broad powers to make health care decisions on your behalf which are set forth in paragraph 3, except to the extent that there are limits provided by law.)

In exercising the authority under this durable power of attorney for health care, the authority of my agent is subject to the following special provisions and limitations: APRIL 22, 2019 — DAY 78

#### 5. DURATION.

I understand that this power of attorney will exist indefinitely from the date I execute this document unless I establish a shorter time. If I am unable to make health care decisions for myself when this power of attorney expires, the authority I have granted my agent will continue to exist until the time when I become able to make health care decisions for myself.

(IF APPLICABLE)

I wish to have this power of attorney end on the following date:

### 6. STATEMENT OF DESIRES.

(With respect to decisions to withhold or withdraw life-sustaining treatment, your agent must make health care decisions that are consistent with your known desires. You can, but are not required to, indicate your desires below. If your desires are unknown, your agent has the duty to act in your best interests; and, under some circumstances, a judicial proceeding may be necessary so that a court can determine the health care decision that is in your best interests. If you wish to indicate your desires, you may INITIAL the statement or statements that reflect your desires and/or write your own statements in the space below.)

(If the statement reflects your desires, initial the box next to the statement.)

2729

- 1. I desire that my life be prolonged to the greatest extent possible, without regard to my condition, the chances I have for recovery or long-term survival, or the cost of the procedures.
- 2. If I am in a coma which my doctors have reasonably concluded is irreversible, I desire that life-sustaining or prolonging treatments not be used. (Also should utilize provisions of NRS 449A.400 to 449A.481, inclusive, if this subparagraph is initialed.)
- 3. If I have an incurable or terminal condition or illness and no reasonable hope of long-term recovery or survival, I desire that life-sustaining or prolonging

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JOURNAL OF THE SENATE	
treatments not be used. (Also should utilize provisions of NRS 449A.400 to 449A.481, inclusive, if this subparagraph is initialed.)  4. Withholding or withdrawal of artificial nutrition and hydration may result in death by starvation or dehydration. I want to receive or continue receiving artificial nutrition and hydration by way of	.]
the gastrointestinal tract after all other	
treatment is withheld.  5. I do not desire treatment to be provided and/or continued if the burdens of the treatment outweigh the expected benefits. My agent is to consider the relief of suffering, the preservation or restoration of functioning, and the quality as well as the extent of the possible extension of my life.  (If you wish to change your answer, you may do so by drawing a "X" through the answer you do not want, and circling the answer you prefer.)	] an
preter )	
Other or Additional Statements of Desires:	
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Other or Additional Statements of Desires:	
Other or Additional Statements of Desires:	
Other or Additional Statements of Desires:  7. DESIGNATION OF ALTERNATE AGENT.  (You are not required to designate any alternative agent but you may do so. Any alternative agent you designate will be able to make the same health care decisions as the agent designated in paragraph page 2, in the event that he or she is unable or unwilling to act as you agent. Also, if the agent designated in paragraph 1 is your spouse, hor her designation as your agent is automatically revoked by law your marriage is dissolved.)  If the person designated in paragraph 1 as my agent is unable make health care decisions for me, then I designate the following	ou see 1, ur is if to ng
Other or Additional Statements of Desires:  7. DESIGNATION OF ALTERNATE AGENT.  (You are not required to designate any alternative agent but you may do so. Any alternative agent you designate will be able to make the same health care decisions as the agent designated in paragraph page 2, in the event that he or she is unable or unwilling to act as you agent. Also, if the agent designated in paragraph 1 is your spouse, hor her designation as your agent is automatically revoked by law your marriage is dissolved.)  If the person designated in paragraph 1 as my agent is unable	
Other or Additional Statements of Desires:  7. DESIGNATION OF ALTERNATE AGENT.  (You are not required to designate any alternative agent but you may do so. Any alternative agent you designate will be able to make the same health care decisions as the agent designated in paragraph page 2, in the event that he or she is unable or unwilling to act as you agent. Also, if the agent designated in paragraph 1 is your spouse, hor her designation as your agent is automatically revoked by law your marriage is dissolved.)  If the person designated in paragraph 1 as my agent is unable make health care decisions for me, then I designate the following persons to serve as my agent to make health care decisions for me.	
Other or Additional Statements of Desires:  7. DESIGNATION OF ALTERNATE AGENT.  (You are not required to designate any alternative agent but you may do so. Any alternative agent you designate will be able to make the same health care decisions as the agent designated in paragraph page 2, in the event that he or she is unable or unwilling to act as you agent. Also, if the agent designated in paragraph 1 is your spouse, hor her designation as your agent is automatically revoked by law your marriage is dissolved.)  If the person designated in paragraph 1 as my agent is unable make health care decisions for me, then I designate the following persons to serve as my agent to make health care decisions for me authorized in this document, such persons to serve in the order lister below:  A. First Alternative Agent	
Other or Additional Statements of Desires:  7. DESIGNATION OF ALTERNATE AGENT.  (You are not required to designate any alternative agent but you may do so. Any alternative agent you designate will be able to make the same health care decisions as the agent designated in paragraph page 2, in the event that he or she is unable or unwilling to act as you agent. Also, if the agent designated in paragraph 1 is your spouse, hor her designation as your agent is automatically revoked by law your marriage is dissolved.)  If the person designated in paragraph 1 as my agent is unable make health care decisions for me, then I designate the following persons to serve as my agent to make health care decisions for me authorized in this document, such persons to serve in the order lister below:	

Telephone Number:

### B. Second Alternative Agent

Name:
Address:
Telephone Number:

#### 8. PRIOR DESIGNATIONS REVOKED.

I revoke any prior durable power of attorney for health care.

#### 9. WAIVER OF CONFLICT OF INTEREST.

If my designated agent is my spouse or is one of my children, then I waive any conflict of interest in carrying out the provisions of this Durable Power of Attorney for Health Care that said spouse or child may have by reason of the fact that he or she may be a beneficiary of my estate.

### 10. CHALLENGES.

If the legality of any provision of this Durable Power of Attorney for Health Care is questioned by my physician, my agent or a third party, then my agent is authorized to commence an action for declaratory judgment as to the legality of the provision in question. The cost of any such action is to be paid from my estate. This Durable Power of Attorney for Health Care must be construed and interpreted in accordance with the laws of the State of Nevada.

#### 11. NOMINATION OF GUARDIAN.

If, after execution of this Durable Power of Attorney for Health Care, proceedings seeking an adjudication of incapacity are initiated either for my estate or my person, I hereby nominate as my guardian or conservator for consideration by the court my agent herein named, in the order named.

#### 12. RELEASE OF INFORMATION.

I agree to, authorize and allow full release of information by any government agency, medical provider, business, creditor or third party who may have information pertaining to my health care, to my agent named herein, pursuant to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, as amended, and applicable regulations.

(YOU MUST DATE AND SIGN THIS POWER OF ATTORNEY)

I sign my name to this Durable Power of Attorney for Health Care on ...... (date) at ...... (city), ...... (state)

(Signature)

(THIS POWER OF ATTORNEY WILL NOT BE VALID FOR MAKING HEALTH CARE DECISIONS UNLESS IT IS EITHER (1) SIGNED BY AT LEAST TWO QUALIFIED WITNESSES WHO ARE PERSONALLY KNOWN TO YOU AND WHO ARE PRESENT WHEN YOU SIGN OR ACKNOWLEDGE YOUR SIGNATURE OR (2) ACKNOWLEDGED BEFORE A NOTARY PUBLIC.)

# CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC

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	t before a notary public instead of the
statement of witnesses.)	
State of Nevada	}
	}ss.
County of	
	the year, before me, (here
insert name of notary public)	personally appeared (here
insert name of principal) person	nally known to me (or proved to me or
the basis of satisfactory eviden	nce) to be the person whose name is
subscribed to this instrument,	, and acknowledged that he or she
	nalty of perjury that the person whose
	nent appears to be of sound mind and
under no duress, fraud or unduc	<del>o influence.]</del>
NOTARY SEAL	
	(Signature of Notary Public)
STATEMEN	T OF WITNESSES
	follow this witnessing procedure. This
	less you comply with the witnessing
	se witnesses instead of having this
	t use two qualified adult witnesses
•	used as a witness: (1) a person you
	ovider of health care; (3) an employee
	the operator of a health care facility
	ator of a health care facility. At leas
	ke the additional declaration set ou
following the place where the v	
<b>O</b> 1	erjury that the principal is personally
	signed or acknowledged this durable
	ace, that the principal appears to be of
	ss, fraud or undue influence, that I am
	ent by this document and that I am no
	mployee of a provider of health care
	cility or an employee of an operator of
a health care facility.	antly of an employee of an operator of
Signature:	Residence Address:
Print Name:	
Date:	
Signature: Print Name:	
Date:	AROVE WITNESSES MUST ALSO

SIGN THE FOLLOWING DECLARATION.)

I declare under penalty of perjury that I am not related to the principal by blood, marriage or adoption and that to the best of my knowledge, I am not entitled to any part of the estate of the principal upon the death of the principal under a will now existing or by operation of law.

Signature:	
Signature:	
Names:	
Print Name:	
Date:	

COPIES: You should retain an executed copy of this document and give one to your agent. The power of attorney should be available so a copy may be given to your providers of health care.

### Sec. 6.5. NRS 162A.865 is hereby amended to read as follows:

162A.865 1. The form of a power of attorney for health care for an adult with an intellectual disability may be substantially in the following form, and must be witnessed or executed in the same manner as the following form:

# DURABLE POWER OF ATTORNEY FOR HEALTH CARE DECISIONS

My name is....... (insert your name) and my address is....... (insert your address). I would like to designate....... (insert the name of the person you wish to designate as your agent for health care decisions for you) as my agent for health care decisions for me if I am sick or hurt and need to see a doctor or go to the hospital. I understand what this means.

If I am sick or hurt, my agent should take me to the doctor. If my agent is not with me when I become sick or hurt, please contact my agent and ask him or her to come to the doctor's office. I would like the doctor to speak with my agent and me about my sickness or injury and whether I need any medicine or other treatment. After we speak with the doctor, I would like my agent to speak with me about the care or treatment. When we have made decisions about the care or treatment, my agent will tell the doctor about our decisions and sign any necessary papers.

If I am very sick or hurt, I may need to go to the hospital. I would like my agent to help me decide if I need to go to the hospital. If I go to the hospital, I would like the people who work at the hospital to try very hard to care for me. If I am able to communicate, I would like the doctor at the hospital to speak with me and my agent about what care or treatment I should receive, even if I am unable to understand what is being said about me. After we speak with the doctor, I would like my agent to help me decide what care or treatment I should receive. Once we decide, my agent will sign any necessary paperwork. If I am unable to communicate because of my illness or injury, I would like my agent to make decisions about my care or

treatment based on what he or she thinks I would do and what is best for me.

I would like my agent to help me decide if I need to see a dentist and help me make decisions about what care or treatment I should receive from the dentist. Once we decide, my agent will sign any necessary paperwork.

I would also like my agent to be able to see and have copies of all my medical records. If my agent requests to see or have copies of my medical records, please allow him or her to see or have copies of the records.

I understand that my agent cannot make me receive any care or treatment that I do not want. I also understand that I can take away this power from my agent at any time, either by telling my agent that he or she is no longer my agent or by putting it in writing.

If my agent is unable to make health care decisions for me, then I designate...... (insert the name of another person you wish to designate as your alternative agent to make health care decisions for you) as my agent to make health care decisions for me as authorized in this document.

(YOU MUST DATE AND SIGN THIS POWER OF ATTORNEY)
I sign my name to this Durable Power of Attorney for Health Care
on ...... (date) at ...... (city), ...... (state)

.....

### (Signature)

#### AGENT SIGNATURE

As agent for..... (insert name of principal), I agree that a physician, health care facility or other provider of health care, acting in good faith, may rely on this power of attorney for health care and the signatures herein, and I understand that pursuant to NRS 162A.815, a physician, health care facility or other provider of health care that in good faith accepts an acknowledged power of attorney for health care is not subject to civil or criminal liability or discipline for unprofessional conduct for giving effect to a declaration contained within the power of attorney for health care or for following the direction of an agent named in the power of attorney for health care.

I also agree that:

- 1. I have a duty to act in a manner consistent with the desires of..... (insert name of principal) as stated in this document or otherwise made known by..... (insert name of principal), or if his or her desires are unknown, to act in his or her best interest.
- 2. If..... (insert name of principal) revokes this power of attorney at any time, either verbally or in writing, I have a duty to inform any persons who may rely on this document, including, without limitation, treating physicians, hospital staff or other providers of

health care, that I no longer have the authorities described in this document.

- 3. The provisions of NRS 162A.840 prohibit me from being named as an agent to make health care decisions in this document if I am a provider of health care, an employee of the principal's provider of health care or an operator or employee of a health care facility caring for the principal, unless I am the spouse, legal guardian or next of kin of the principal.
- 4. The provisions of NRS 162A.850 prohibit me from consenting to the following types of care or treatments on behalf of the principal, including, without limitation:
- (a) Commitment or placement of the principal in a facility for treatment of mental illness;
  - (b) Convulsive treatment;
  - (c) Psychosurgery;
  - (d) Sterilization;
  - (e) Abortion;
  - (f) Aversive intervention, as it is defined in NRS 449A.203;
- (g) Experimental medical, biomedical or behavioral treatment, or participation in any medical, biomedical or behavioral research program; or
- (h) Any other care or treatment to which the principal prohibits the agent from consenting in this document.
- 5. End-of-life decisions must be made according to the wishes of.... (insert name of principal), as designated in the attached addendum. If his or her wishes are not known, such decisions must be made in consultation with the principal's treating physicians.

Signature:	Residence Address:	
Print Name:		
Date:		
Relationship to principal:		
Length of relationship to principal:		
(THIS POWER OF ATTORNEY	WILL NOT BE VALID F	Ю
MAKING HEALTH CARE DECISION	ONS UNLESS IT IS EITH	ΙΕΙ
(1) SIGNED BY AT LEAST TWO	O QUALIFIED WITNESS	SE
WHO YOU KNOW AND WHO A	ARE PRESENT WHEN Y	JO
SIGN OR ACKNOWLEDGE	YOUR SIGNATURE	OF
(2) ACKNOWLEDGED BEFORE A	NOTARY PUBLIC.)	

# CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC

(You r	may use	acknowl	ledgment	before a	notary	public	instead	of	the
statem	ent of w	itnesses.	.)						
~		-		_					

State of Nevada	}
	}ss.
County of	}

On this..... day of....., in the year..., before me,..... (here insert name of notary public) personally appeared..... (here insert name of principal) personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he or she executed it. Heleare under penalty of perjury that the person whose name is ascribed to this instrument appears to be of sound mind and under no duress, fraud or undue influence.]

NOTARY SEAL

(Signature)

#### STATEMENT OF WITNESSES

(If you choose to use witnesses instead of having this document notarized, you must use two qualified adult witnesses. The following people cannot be used as a witness: (1) a person you designate as the agent; (2) a provider of health care; (3) an employee of a provider of health care; (4) the operator of a health care facility; or (5) an employee of an operator of a health care facility. At least one of the witnesses must make the additional declaration set out following the place where the witnesses sign.)

I declare under penalty of perjury that the principal is personally known to me, that the principal signed or acknowledged this durable power of attorney in my presence, that the principal appears to be of sound mind and under no duress, fraud or undue influence, that I am not the person appointed as agent by this document and that I am not a provider of health care, an employee of a provider of health care, the operator of a health care facility or an employee of an operator of a health care facility.

Signature: Residence Address: Date: Residence Address: Residence Address: Date: Residence Address: Date: Residence Address: Residence Address: Residence Address: Date: Residence Address: Residence Addres

# (AT LEAST ONE OF THE ABOVE WITNESSES MUST ALSO SIGN THE FOLLOWING DECLARATION.)

I declare under penalty of perjury that I am not related to the principal by blood, marriage or adoption and that to the best of my knowledge, I am not entitled to any part of the estate of the principal upon the death of the principal under a will now existing or by operation of law.

Signature:	
Signature:	
Names:	
Print Name:	
Date:	

COPIES: You should retain an executed copy of this document and give one to your agent. The power of attorney should be available so a copy may be given to your providers of health care.

2. The form for end-of-life decisions of a power of attorney for health care for an adult with an intellectual disability may be substantially in the following form, and must be witnessed or executed in the same manner as the following form:

# END-OF-LIFE DECISIONS ADDENDUM STATEMENT OF DESIRES

(You can, but are not required to, state what you want to happen if you get very sick and are not likely to get well. You do not have to complete this form, but if you do, your agent must do as you ask if you cannot speak for yourself.)

........ (Insert name of agent) might have to decide, if you get very sick, whether to continue with your medicine or to stop your medicine, even if it means you might not live........ (Insert name of agent) will talk to you to find out what you want to do, and will follow your wishes.

If you are not able to talk to...... (insert name of agent), you can help him or her make these decisions for you by letting your agent know what you want.

Here are your choices. Please circle yes or no to each of the following statements and sign your name below:

1. I want to take all the medicine and		
receive any treatment I can to keep me		
alive regardless of how the medicine or		
treatment makes me feel.	YES	NO
2. I do not want to take medicine or		
receive treatment if my doctors think		
that the medicine or treatment will not		
help me.	YES	NC
3. I do not want to take medicine or		
receive treatment if I am very sick and		
suffering and the medicine or treatment		
will not help me get better	YES	NO
4. I want to get food and water even		
if I do not want to take medicine or		
receive treatment.	YES	NO
(YOU MUST DATE AND SIGN TH	IS END-OF-	LIFE
DECISIONS ADDEND	UM)	
L sign my name to this End-of-Life Decis	sions Addend	dum on

(Signature)

(date) at ..... (city), ..... (state)

(THIS END-OF-LIFE DECISIONS ADDENDUM WILL NOT BE VALID UNLESS IT IS EITHER (1) SIGNED BY AT LEAST TWO QUALIFIED WITNESSES WHO YOU KNOW AND WHO ARE PRESENT WHEN YOU SIGN OR ACKNOWLEDGE YOUR SIGNATURE OR (2) ACKNOWLEDGED BEFORE A NOTARY PUBLIC.)

# CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC

(You may use acknowledgm	ent before a notary public instead of th
statement of witnesses.)	
State of Nevada	}
	lee

On this..... day of....., in the year..., before me,..... (here insert name of notary public) personally appeared..... (here insert name of principal) personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he or she executed it. H declare under penalty of periury that the person whose name is ascribed to this instrument appears to be of sound mind and under no duress, fraud or undue influence. .....

NOTARY SEAL

(Signature)

#### STATEMENT OF WITNESSES

(If you choose to use witnesses instead of having this document notarized, you must use two qualified adult witnesses. The following people cannot be used as a witness: (1) a person you designate as the agent; (2) a provider of health care; (3) an employee of a provider of health care; (4) the operator of a health care facility; or (5) an employee of an operator of a health care facility. At least one of the witnesses must make the additional declaration set out following the place where the witnesses sign.)

I declare under penalty of perjury that the principal is personally known to me, that the principal signed or acknowledged this End-of-Life Decisions Addendum in my presence, that the principal appears to be of sound mind and under no duress, fraud or undue influence, that I am not the person appointed as agent by the power of attorney for health care and that I am not a provider of health care, an employee of a provider of health care, the operator of a health care facility or an employee of an operator of a health care facility.

Signature:	Residence Address:
Print Name:	
Date:	
Signature:	
Print Name:	

I declare under penalty of perjury that I am not related to the principal by blood, marriage or adoption and that to the best of my knowledge, I am not entitled to any part of the estate of the principal upon the death of the principal under a will now existing or by operation of law.

Signature:		
Signature:		
Names:	Address:	
Print Name:		
Date:		

COPIES: You should retain an executed copy of this document and give one to your agent. The End-of-Life Decisions Addendum should be available so a copy may be given to your providers of health care.

- Sec. 7. NRS 253.220 is hereby amended to read as follows:
- 253.220 1. A public guardian may investigate the financial status, assets and personal and family history of any protected person, without hiring or being licensed as a private investigator pursuant to chapter 648 of NRS. In connection with the investigation, the public guardian may require any protected person or any spouse, parent, child or other kindred of the protected person, to give any information and to execute and deliver any written requests or authorizations necessary to provide the public guardian with access to records, otherwise confidential, which are needed by the public guardian. The public guardian may obtain information from any public record office of the State or any of its agencies or subdivisions upon request and without payment of any fees.
- 2. In a county whose population is less than 100,000, a public guardian may petition a court to investigate the financial status, assets and personal and family history of any <del>[person for whom the public guardian has been appointed</del> as guardian, or al potential protected person for whom the public guardian has received a referral from the Aging and Disability Services Division of the Department of Health and Human Services, a law enforcement agency or a court in connection with a criminal or civil matter relating to the potential protected person, without hiring or being licensed as a private investigator pursuant to chapter 648 of NRS. In connection with the investigation, the public guardian may require any [protected person or] potential protected person or any spouse, parent, child or other kindred of the [protected person] erl potential protected person, to give any information and to execute and deliver any written requests or authorizations necessary to provide the public guardian with access to records, otherwise confidential, which are needed by the public guardian. The public guardian may obtain information from any public record office of the State or any of its agencies or subdivisions upon request and without payment of any fees.

- [2.] 3. As used in this section [, "protected]:
- (a) "Potential protected person" means any person, other than a minor, for whom a referral for investigation has been sent to the public guardian.
- (b) "Protected person" has the meaning ascribed to it in NRS 159.0253.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senator Cannizzaro.

Amendment No. 292 to Senate Bill No. 121 removes from statute certain declarations that are currently required to be made by a notary public; differentiates between counties with populations of less than 100,000 and over 100,000 in regard to the process by which a public guardian may undertake certain investigations related to a protected person or a potential protected person, and provides that a public guardian in a county of less than 100,000 who seeks to conduct an investigation of a potential protected person may petition the district court in the relevant county to order such an investigation before the wardship is established.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 128.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 486.

SUMMARY—Revises provisions governing the administration of occupational licensing boards. (BDR 54-518)

AN ACT relating to occupational licensing boards; fauthorizing certain occupational licensing boards to contract for the acceptance of credit cards. debit cards or electronic transfers of money for certain payments or to participate in such a contract entered into by the Director of the Office of Finance: revising provisions governing [the forms of payment authorized to be accepted by the State Board of Landscape Architecture; revising provisions governing the review of complaints filed with the State Board of Landscape Architecture: the registration by the Nevada State Board of Accountancy of limited-liability companies and sole partnerships. corporations. proprietorships; requiring the Board of Medical Examiners to report certain additional licensure information; requiring members of the Nevada Physical Therapy Board to attend certain training; abolishing the State Barbers' Health and Sanitation Board and transferring its powers and duties to the State Board of Cosmetology; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

[ Existing law authorizes certain state agencies to enter into a contract with issuers of credit cards or debit cards, or with operators of systems that provide for the electronic transfer of money, to provide for the acceptance of credit cards, debit cards or electronic transfers of money by such state agencies. (NRS 353.1465, 353.1466) Section 1 of this bill authorizes certain occupational licensing boards to enter into such contracts with issuers of credit cards or debit cards, or with operators of systems that provide for the electronic transfer of money, to provide for the acceptance of such forms of payment by

such occupational licensing boards or to participate in such a contract entered into by the Director of the Office of Finance. Section 2 of this bill makes a conforming change to specifically authorize the State Board to accept credit eards, debit eards and electronic transfers of money in addition to checks, cashier's checks and money orders.

Existing law requires the President or a designated member of the State Board of Landscape Architecture to consider each complaint filed with the State Board and make a recommendation to the State Board if it appears further proceedings are warranted. (NRS 623A.305) Section 3 of this bill requires the Executive Director of the State Board to perform such duties.]

Existing law grants practice privileges in this State to a natural person who holds a valid license as a certified public accountant in another state, territory or possession of the United States or the District of Columbia. (NRS 628.033, 628.315) Such a natural person is not required to obtain a certificate of certified public accountant or a permit to engage in the practice of public accounting from the Nevada State Board of Accountancy but is required to consent to certain specified conditions, including consent to the disciplinary authority of the Board. (NRS 628.315) Section 3.15 of this bill extends the authority of the Board to grant such practice privileges to a certified public accounting firm organized as a partnership, corporation or limited-liability company or a sole proprietorship which holds a valid registration in good standing from another state, territory or possession of the United States or the District of Columbia. Such a certified public accounting firm is not required to register with the Board, but is required to consent to the same conditions as natural persons, such as consent to the disciplinary authority of the Board. Sections 3.1 and 3.25-3.85 of this bill make conforming changes. Section 3.2 exempts certain entities whose sole business is preparing tax returns and related schedules from the requirement of registration.

Existing law requires the Board of Medical Examiners to maintain records pertaining to applicants to whom licenses have been issued or denied by the Board. (NRS 630.220) Existing law also requires the Board of Medical Examiners to report certain licensure information relating to veterans and service members. (NRS 417.0194, 622.120) Section 3.9 of this bill requires the Board of Medical Examiners to submit an annual report to the Legislature containing certain information relating to applicants for licensure by endorsement by the Board who are members of the Armed Forces of the United States, veterans and certain family members of veterans or members of the Armed Forces of the United States.

Section 4 of this bill requires each new member of the Nevada Physical Therapy Board to attend certain training, which existing law requires the Attorney General to provide to members of occupational licensing boards. (NRS 622.200)

Existing law authorizes the State Barbers' Health and Sanitation Board to regulate the profession of barbering. (NRS 643.010) Sections 4.1, 4.2 and subsection 2 of section 5 of this bill abolish the State Barbers' Health and

Sanitation Board, effective 1 year after passage and approval of this bill, and transfer its powers and duties to regulate barbering to the State Board of Cosmetology.

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

Section 1. <del>[Chapter 622 of NRS is hereby amended by adding thereto a new section to read as follows:</del>

#### 1. A licensing board may:

- (a) Enter into a contract with an issuer of credit cards or debit cards or an operator of a system that provides for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the licensine board: or
- (b) Upon approval of the Director of the Office of Finance, participate in a contract entered into by the Director pursuant to NRS 353.1466.
- 2. If the issuer or operator charges the licensing board a fee for each use of a credit card or debit card or for each electronic transfer of money, the licensing board may require the cardholder or the person requesting the electronic transfer of money to pay a convenience fee when appropriate and authorized. The total convenience fees charged by the licensing board in a fiscal year must not exceed

the total amount of fees charged to the licensing board by the issuer of operator in that fiscal year.

#### 3 Agusad in this section.

- (a) "Cardholder" means the person or organization named on the face of a credit eard or debit eard to whom or for whose benefit the credit eard or debit eard by an issuer.
- (b) "Convenience fee" means a fee paid by a cardholder or person requesting the electronic transfer of money to a licensing board for the convenience of using the credit card or debit card or the electronic transfer of money to make such payment.
- (e) "Credit eard" means any instrument or device, whether known as a credit eard or credit plate or by any other name, issued with or without a fee by an issuer for the use of the eardholder in obtaining money, property, goods, services or anything else of value on credit.
- eard or by any other name, issued with or without a fee by an issuer for the use of the eardholder in depositing, obtaining or transferring funds.
- (c) "Electronic transfer of money" has the meaning ascribed to it is NRS 463.01473.
- (f) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit eard or a debit eard.
- -(g) "Licensing board" means a board created by the provisions of chapters 623 to 625A, inclusive, 628, 630 to 644A, inclusive, 648, 654 and 656 of NRS.] (Deleted by amendment.)

#### Sec. 2. [NRS 623A.240 is hereby amended to read as follows:

-623A.240 1. The following fees must be prescribed by the Board and must not exceed the following amounts:

iot exceed the ronowing uniounts.	
Application fee	\$200.00
Examination fee	100.00
	plus the actual
	cost of the
	examination
Certificate of registration	25.00
Annual renewal fee	200.00
Reinstatement fee	300.00
Delinquency fee	50.00
Change of address fee	10.00
Copy of a document, per page	

- 2. In addition to the fees set forth in subsection 1, the Board may charge and collect a fee for the expedited processing of a request or for any other incidental service it provides. The fee must not exceed the cost incurred by the Board to provide the service.
- 3. The Board may authorize a landscape architect intern to pay the application fee or any portion of that fee during any period in which he or she is the holder of a certificate to practice as a landscape architect intern. If a landscape architect intern pays the fee or any portion of the fee during that period, the Board shall credit the amount paid towards the entire amount of the application fee for the certificate of registration required pursuant to this section.
- 4. The fees prescribed by the Board pursuant to this section must be paid in United States currency in the form of a check, cashier's check or money order [.] or, if the Board has entered into or is participating in a contract pursuant to section 1 of this act, in any other form of payment authorized pursuant to section 1 of this act. If any [check] form of payment submitted to the Board is dishonored upon presentation for payment, repayment of the fee, including the fee for [a] any returned [check] payment in the amount established by the State Controller pursuant to NRS 353C.115, must be made by money order or certified check.
- 5. The fees prescribed by the Board pursuant to this section are nonrefundable.] (Deleted by amendment.)
  - Sec. 3. [NRS 623A.305 is hereby amended to read as follows:
- 623A.305—1. When a complaint is filed with the Executive Director of the Board, it must be considered by the [President] Executive Director of the Board . [or a member of the Board designated by the President.] If it appears to the [President or the person designated by the President] Executive Director that further proceedings are warranted, he or she shall report the results of the investigation together with a recommendation to the Board in a manner which does not violate the right of the person charged in the complaint to due process in any later hearing on the complaint.

- 2. The Board shall promptly make a determination with respect to each complaint reported to it by the [President or a person designated by the President] Executive Director and shall dismiss the complaint or proceed with disciplinary action pursuant to chapter 622A of NRS.] (Deleted by amendment.)
  - Sec. 3.1. NRS 628.023 is hereby amended to read as follows:
- 628.023 "Practice of public accounting" means the offering to perform or the performance by a holder of a live permit or a natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to NRS 628.315, for a client or potential client, of one or more services involving the use of skills in accounting or auditing, one or more services relating to advising or consulting with clients on matters relating to management or the preparation of tax returns and the furnishing of advice on matters relating to taxes.
  - Sec. 3.15. NRS 628.315 is hereby amended to read as follows:
- 628.315 1. Except as otherwise provided in this chapter, a natural person who holds a valid license <u>in good standing</u> as a certified public accountant <u>or a certified public accounting firm organized as a partnership, corporation or limited-liability company or a sole proprietorship which holds a valid <u>registration in good standing</u> from any state other than this State shall be deemed to be a certified public accountant <u>or certified public accounting firm</u> for all purposes under the laws of this State other than this chapter.</u>
- 2. A natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to subsection 1 is not required to obtain [+], as applicable:
  - (a) A certificate pursuant to NRS 628.190; [or]
  - (b) A permit pursuant to NRS 628.380 [+]; or
- (c) A registration pursuant to NRS 628.335.
- 3. A natural person granted practice privileges pursuant to subsection 1 and a partnership, corporation, limited-liability company or sole proprietorship that employs such a <u>natural</u> person <u>or a certified public accounting firm granted practice privileges pursuant to subsection 1</u> shall be deemed to consent, as a condition of the grant of such practice privileges:
- (a) To the personal and subject matter jurisdiction, and disciplinary authority, of the Board.
- (b) To comply with the provisions of this chapter and the regulations of the Board.
- (c) That, in the event that the license from the state wherein the [natural person's] principal place of business <u>of the natural person or certified public accounting firm</u> is located becomes invalid [, the] or not in good standing:
- (1) <u>The</u> natural person will cease offering or engaging in the practice of <u>[professional]</u> <u>public</u> accounting in this State individually and on behalf of a partnership, corporation, limited-liability company or sole proprietorship <u>[..]</u>; <u>or</u>
- (2) The certified public accounting firm will cease offering or engaging in the practice of public accounting in this State.

- (d) To the appointment of the state board that issued the license as the agent upon whom process may be served in any investigation, action or proceeding by the Board relating to [the]:
- (1) The natural person or the partnership, corporation, limited-liability company or sole proprietorship [by the Board.
- 4. A natural person granted practice privileges pursuant to subsection 1 may perform attest services for a client having his or her home office in this State only if the partnership, corporation, limited liability company or sole proprietorship that employs the person is registered pursuant to NRS 628.335.] that employs the natural person; or
  - (2) The certified public accounting firm.
  - Sec. 3.2. NRS 628.335 is hereby amended to read as follows:
- 628.335 1. The Board shall grant or renew registration to a partnership, corporation  $\frac{\{\cdot,\cdot\}}{\{\cdot,\cdot\}}$   $\underline{or}$  limited-liability company  $\underline{\{or\_sole\_proprietorship\}}$  that demonstrates its qualifications therefor in accordance with this chapter.
- 2. [A] <u>Except as otherwise provided in subsection 3, a partnership,</u> corporation or limited-liability company with an office in this State shall register with the Board if the partnership, corporation or limited-liability company:
  - (a) Performs attest services:
  - (b) Performs compilation services;
  - (c) Is engaged in the practice of public accounting; or
- (d) Is styled and known as a certified public accountant or uses the abbreviation "C.P.A."
- 3. [A] An entity that is organized as a partnership, corporation [] or limited-liability company [or sole proprietorship that does not have an office in this State:
- (a) Shall register with the Board if the partnership, corporation, limited liability company or sole proprietorship performs attest services for a client having his or her home office in this State.
- (b) May practice public accounting, may perform compilation services or other professional services within the practice of public accounting other than attest services for a client having his or her home office in this State, may be styled and known as a certified public accountant and may use the title or designation "certified public accountant" and the abbreviation "C.P.A." without registering with the Board if:
- (1) Persons who are certified public accountants in any state constitute a simple majority, in terms of financial interests and voting rights of all partners, shareholders, officers, members and principals thereof, of the ownership of the partnership, corporation, limited-liability company or sole proprietorship;
- (2) The partnership, corporation, limited liability company or sole proprietorship complies with the provisions of subsection 5 of NRS 628.325, if applicable;
- (3) A natural person granted practice privileges pursuant to NRS 628.315 practices such public accounting or performs such compilation services or such

- other professional services within the practice of public accounting for the client having his or her home office in this State; and
- (4) The partnership, corporation, limited-liability company or sole proprietorship can lawfully perform such services in the state where the natural person described in subparagraph (3) has his or her principal place of business.
- 4. A natural person granted practice privileges pursuant to NRS 628.315 must not be required to obtain a permit from this State pursuant to NRS 628.380 if the person performs such professional services for:
- (a) Which a partnership, corporation, limited-liability company or sole proprietorship is required to register pursuant to subsection 2 or 3; or
- (b) A partnership, corporation or limited liability company registered pursuant to the provisions of NRS 628.325.] is not required to register with the Board pursuant to this section if:
- (a) The entity is not styled or known as a firm of certified public accountants;
- (b) The entity is not using the title or designation "certified public accountant" or the abbreviation "C.P.A."; and
- (c) The sole business of the entity is preparing tax returns or schedules in support of tax returns.
  - Sec. 3.25. NRS 628.340 is hereby amended to read as follows:
- 628.340 1. A partnership required to register with the Board pursuant to NRS 628.335 must meet the following requirements:
- (a) At least one general partner must be [either] a certified public accountant of this State in good standing. [or, if the partnership is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.]
- (b) Each partner who is a resident of this State and is personally and regularly engaged within this State in the practice of public accounting as a member thereof, or whose principal place of business is in this State and who is engaged in the practice of <a href="mailto:tenanger-public">(professional)</a> <a href="public">public</a> accounting in this State, must be a certified public accountant of this State in good standing.
- (c) Each partner who is personally and regularly engaged in the practice of public accounting in this State must be [either] a certified public accountant of this State in good standing . [or, if the partnership is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.]
- (d) Each partner who is regularly engaged in the practice of public accounting within the United States must be a certified public accountant in good standing of some state or jurisdiction of the United States.
- (e) Each manager in charge of an office of the partnership in this State must be [either] a certified public accountant of this State in good standing. [or a natural person granted practice privileges pursuant to NRS 628.315.]
- (f) A corporation or limited-liability company which is registered pursuant to NRS 628.343 or 628.345 may be a partner, and a partnership which is

registered pursuant to this section may be a general partner, in a partnership engaged in the practice of public accounting.

- 2. Application for registration must be made upon the affidavit of [either] a general partner who holds a live permit to practice in this State as a certified public accountant. [or, if the partnership is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.] The Board shall determine whether the applicant is eligible for registration and may charge an initial fee and an annual renewal fee set by the Board by regulation. A partnership which is so registered may use the words "certified public accountants" or the abbreviation "C.P.A.'s" or "CPA's" in connection with its partnership name. Notice must be given to the Board within 1 month after the admission to or withdrawal of a partner from any partnership so registered.
  - Sec. 3.3. NRS 628.343 is hereby amended to read as follows:
- 628.343 1. A corporation required to register with the Board pursuant to NRS 628.335 shall comply with the following requirements:
- (a) The sole purpose and business of the corporation must be to furnish to the public services not inconsistent with this chapter or the regulations of the Board, except that the corporation may invest its money in a manner not incompatible with the practice of public accounting.
- (b) The principal officer of the corporation and any officer or director having authority over the practice of public accounting by the corporation must be a certified public accountant of [some state] this State in good standing.
- (c) At least one shareholder of the corporation must be [either] a certified public accountant of this State in good standing . [or, if the corporation is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.]
- (d) Each manager in charge of an office of the corporation in this State and each shareholder or director who is regularly and personally engaged within this State in the practice of public accounting must be [either] a certified public accountant of this State in good standing. [or, if the corporation is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.]
- (e) In order to facilitate compliance with the provisions of this section relating to the ownership of stock, there must be a written agreement binding the shareholders or the corporation to purchase any shares offered for sale by, or not under the ownership or effective control of, a qualified shareholder. The corporation may retire any amount of stock for this purpose, notwithstanding any impairment of its capital, so long as one share remains outstanding.
- (f) The corporation shall comply with other regulations pertaining to corporations practicing public accounting in this State adopted by the Board.
- 2. Application for registration must be made upon the affidavit of [either] a shareholder who holds a live permit to practice in this State as a certified public accountant. [or, if the corporation is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted

practice privileges pursuant to NRS 628.315.] The Board shall determine whether the applicant is eligible for registration and may charge an initial fee and an annual renewal fee set by the Board by regulation. A corporation which is so registered may use the words "certified public accountants" or the abbreviation "C.P.A.'s" or "CPA's" in connection with its corporate name. Notice must be given to the Board within 1 month after the admission to or withdrawal of a shareholder from any corporation so registered.

- Sec. 3.35. NRS 628.345 is hereby amended to read as follows:
- 628.345 1. A limited-liability company required to register with the Board pursuant to NRS 628.335 shall comply with the following requirements:
- (a) The sole purpose and business of the limited-liability company must be to furnish to the public services not inconsistent with this chapter or the regulations of the Board, except that the limited-liability company may invest its money in a manner not incompatible with the practice of public accounting.
- (b) The manager, if any, of the limited-liability company must be a certified public accountant of [some state] *this State* in good standing.
- (c) At least one member of the limited-liability company must be [either] a certified public accountant of this State in good standing. [or, if the limited-liability company is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.]
- (d) Each person in charge of an office of the limited-liability company in this State and each member who is regularly and personally engaged within this State in the practice of public accounting must be {either} a certified public accountant of this State in good standing. {or, if the limited-liability company is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.1
- (e) In order to facilitate compliance with the provisions of this section relating to the ownership of interests, there must be a written agreement binding the members or the limited-liability company to purchase any interest offered for sale by, or not under the ownership or effective control of, a qualified member.
- (f) The limited-liability company shall comply with other regulations pertaining to limited-liability companies practicing public accounting in this State adopted by the Board.
- 2. Application for registration must be made upon the affidavit of the manager or a member of the limited-liability company. The affiant must hold a live permit to practice in this State as a certified public accountant. [or, if the limited-liability company is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, be a natural person granted practice privileges pursuant to NRS 628.315.] The Board shall determine whether the applicant is eligible for registration and may charge an initial fee and an annual renewal fee set by the Board by regulation. A limited-liability company which is so registered may use the words "certified public accountants" or the abbreviation

"C.P.A.'s" or "CPA's" in connection with its name. Notice must be given to the Board within 1 month after the admission to or withdrawal of a member from any limited-liability company so registered.

## Sec. 3.4. 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 practice privileges granted pursuant to NRS 628.315 [or 628.335] or any registration of a partnership, corporation, limited-liability company, sole proprietorship 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, certificate or registration or any natural person or certified public accounting firm granted practice privileges pursuant to NRS 628.315, 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 a permit to practice public accounting under this chapter.
- (b) Dishonesty, fraud or gross negligence by a certified public accountant or a natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to NRS 628.315.
  - (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 relating to the practice of public accounting under the laws of any state or jurisdiction.
  - (f) Conviction of any crime:
    - (1) An element of which is dishonesty or fraud; or
    - (2) Involving moral turpitude,
- → under the laws of any state or jurisdiction.
- (g) Cancellation, revocation, suspension, placing on probation or refusal to renew authority to practice as a certified 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 or her practice in the other state.]
- (h) Suspension, revocation or placing on probation 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
- (2) Sixty days after the date upon which the holder of a certificate was granted the certificate, if no permit was ever issued to the person, 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 or permit of another person.
- (1) Committing an act in another state or jurisdiction which would be subject to discipline in that state.
- 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 shall not privately censure the holder of any permit or certificate or any natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to NRS 628.315.
- 5. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

# Sec. 3.45. NRS 628.430 is hereby amended to read as follows:

628.430 All statements, records, schedules, working papers and memoranda made by a certified public accountant or a natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to NRS 628.315 incident to or in the course of professional service to clients by the accountant, except reports submitted by a certified public accountant or a natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to NRS 628.315 to a client, are the property of the accountant, in the absence of an express agreement between the accountant and the client to the contrary. No such statement, record, schedule, working paper or memorandum may be sold, transferred or bequeathed, without the consent of the client or the client's personal representative or assignee, to anyone other than one or more surviving partners or new partners of the accountant or to his or her corporation.

Sec. 3.5. NRS 628.435 is hereby amended to read as follows:

- 628.435 1. A practitioner shall comply with all professional standards for accounting and documentation related to an attestation applicable to particular engagements.
- 2. Except as otherwise provided in this section and in all professional standards for accounting and documentation related to an attestation applicable to particular engagements, a practitioner shall retain all documentation related to an attestation for not less than 5 years after the date of the report containing the attestation.
- 3. Documentation related to an attestation that, at the end of the retention period set forth in subsections 1 and 2, is a part of or subject to a pending investigation of, or disciplinary action against, a practitioner must be retained and must not be destroyed until the practitioner has been notified in writing that the investigation or disciplinary action has been closed or concluded.
  - 4. As used in this section:
  - (a) "Documentation related to an attestation" includes, without limitation:
- (1) All documentation relating to consultations and resolutions of any differences of professional opinion regarding the exercise of professional judgment relating to an attestation; and
- (2) Documentation of the findings or issues related to the attestation that, based on the judgment of the practitioner after an objective analysis of the facts and circumstances, is determined to be significant, regardless of whether the documentation includes information or data that is inconsistent with the final conclusions of the practitioner.
  - (b) "Practitioner" means:
- (1) A holder of a certificate issued pursuant to NRS 628.190 to 628.310, inclusive, or a permit issued pursuant to NRS 628.380;
- (2) A partnership, corporation, limited-liability company or sole proprietorship registered pursuant to NRS 628.335; or
- (3) A natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to NRS 628.315.
  - Sec. 3.55. NRS 628.460 is hereby amended to read as follows:
- 628.460 A partnership, corporation, limited-liability company or sole proprietorship shall not assume or use the title or designation "certified public accountant" or the abbreviation "C.P.A." or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that the partnership, corporation, limited-liability company or sole proprietorship is composed of certified public accountants unless the partnership, corporation, limited-liability company or sole proprietorship is:
- 1. Registered as a partnership, corporation, limited-liability company or sole proprietorship of certified public accountants and all offices of the partnership, corporation, limited-liability company or sole proprietorship in this State for the practice of public accounting are maintained and registered as required under NRS 628.370; or

- 2. [Performing services within the practice of public accounting] <u>Granted practice privileges</u> pursuant to the provisions of [subsection 3 of] NRS [628.335.] 628.315.
  - Sec. 3.6. NRS 628.480 is hereby amended to read as follows:
- 628.480 A partnership, corporation, limited-liability company or sole proprietorship shall not assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card or device tending to indicate that the partnership, corporation, limited-liability company or sole proprietorship is composed of public accountants unless the partnership, corporation, limited-liability company or sole proprietorship is:
- 1. Registered as a partnership, corporation, limited-liability company or sole proprietorship of certified public accountants and all offices of the partnership, corporation, limited-liability company or sole proprietorship in this State for the practice of public accounting are maintained and registered as required under NRS 628.370; or
- 2. [Performing services within the practice of public accounting] <u>Granted practice privileges</u> pursuant to [the provisions of subsection 3 of] NRS [628.335.] 628.315.
  - Sec. 3.65. NRS 628.490 is hereby amended to read as follows:
- 628.490 1. Except as otherwise provided in subsection 2 and NRS 628.450 to 628.480, inclusive, a person, partnership, corporation, limited-liability company or sole proprietorship shall not assume or use the title or designation "certified accountant," or any other title or designation likely to be confused with "certified public accountant" or "public accountant," or any of the abbreviations "C.A." or "P.A." or similar abbreviations likely to be confused with "C.P.A."
- 2. [Anyone] Any person, partnership, corporation, limited-liability company or sole proprietorship who:
- (a) Holds a live permit pursuant to NRS 628.380 or is registered as a partnership, corporation, limited-liability company or sole proprietorship pursuant to the provisions of this chapter and all of whose offices in this State for the practice of public accounting are maintained and registered as required under NRS 628.370; *or* 
  - (b) Has been granted practice privileges pursuant to NRS 628.315, [; or
- (c) Is performing services within the practice of public accounting pursuant to the provisions of subsection 3 of NRS 628.335,]
- → may hold himself or herself out to the public as an "accountant," "auditor" or "certified public accountant."
  - Sec. 3.7. NRS 628.510 is hereby amended to read as follows:
- 628.510 1. Except as otherwise provided in subsection 2, a person shall not sign or affix his or her name or the name of a partnership, corporation, limited-liability company or sole proprietorship, or any trade or assumed name used by the person or by the partnership, corporation, limited-liability company or sole proprietorship in business, with any wording indicating that

he or she is an accountant or auditor, or that the partnership, corporation, limited-liability company or sole proprietorship is authorized to practice as an accountant or auditor or with any wording indicating that the person or the partnership, corporation, limited-liability company or sole proprietorship has expert knowledge in accounting or auditing, to any accounting or financial statement, or attest to any accounting or financial statement, unless:

- (a) The person holds a live permit or the partnership, corporation, limited liability company or sole proprietorship is registered pursuant to NRS 628.335 and all of the person's offices in this State for the practice of public accounting are maintained and registered under NRS 628.370;
- (b) The person is a natural person <u>or certified public accounting firm</u> granted practice privileges pursuant to NRS 628.315. <del>[; or</del>
- (c) The partnership, corporation, limited-liability company or sole proprietorship is performing services within the practice of public accounting pursuant to the provisions of subsection 3 of NRS 628.335.1
  - 2. The provisions of subsection 1 do not prohibit:
- (a) Any officer, employee, partner, principal or member of any organization from affixing his or her signature to any statement or report in reference to the financial affairs of that organization with any wording designating the position, title or office which he or she holds in the organization.
- (b) Any act of a public official or public employee in the performance of his or her duties as such.
- (c) Any person who does not hold a live permit from preparing a financial statement or issuing a report if the statement or report, respectively, includes a disclosure that:
- (1) The person who prepared the statement or issued the report does not hold a live permit issued by the Board; and
- (2) The statement or report does not purport to have been prepared in compliance with the professional standards of accounting adopted by the Board.
  - Sec. 3.75. NRS 628.520 is hereby amended to read as follows:
- 628.520 A person shall not sign or affix the name of a partnership, corporation, limited-liability company or sole proprietorship with any wording indicating that it is a partnership, corporation, limited-liability company or sole proprietorship composed of accountants or auditors or persons having expert knowledge or special expertise in accounting or auditing, to any accounting or financial statement, or attest to any accounting or financial statement, unless the partnership, corporation, limited-liability company or sole proprietorship is:
- 1. Registered pursuant to NRS 628.335 and all of its offices in this State for the practice of public accounting are maintained and registered as required under NRS 628.370; or
- 2. [Performing services within the practice of public accounting] <u>Granted practice privileges</u> pursuant to [the provisions of subsection 3 of] NRS [628.335.] 628.315.

#### Sec. 3.8. NRS 628.540 is hereby amended to read as follows:

- 628.540 1. Except as otherwise provided in subsection 2, a person, partnership, corporation, limited-liability company or sole proprietorship shall not engage in the practice of public accounting or hold himself, herself or itself out to the public as an "accountant" or "auditor" by use of either or both of those words in connection with any other language which implies that such a person or firm holds a certificate, permit or registration or has special competence as an accountant or auditor on any sign, card, letterhead or in any advertisement or directory unless:
- (a) If a natural person, he or she holds a live permit or has been granted practice privileges pursuant to NRS 628.315; or
- (b) If a partnership, corporation, limited-liability company or sole proprietorship, it is registered pursuant to NRS 628.335 or <u>lis-performing services within the practice of public accounting</u> <u>has been granted practice privileges</u> pursuant to <u>[the provisions of subsection 3 of]</u> NRS <u>[628.335.]</u> 628.315.
  - 2. The provisions of subsection 1 do not prohibit:
- (a) Any officer, employee, partner, shareholder, principal or member of any organization from describing himself or herself by the position, title or office he or she holds in that organization.
- (b) Any act of a public official or public employee in the performance of his or her duties as such.

## Sec. 3.85. NRS 628.550 is hereby amended to read as follows:

- 628.550 1. A person shall not assume or use the title or designation "certified public accountant" or "public accountant" in conjunction with names indicating or implying that there is a partnership, corporation or limited-liability company, or in conjunction with the designation "and Company" or "and Co." or a similar designation, if there is in fact no bona fide partnership, corporation or limited-liability company:
  - (a) Registered under NRS 628.335; or
- (b) [Performing services within the practice of public accounting] <u>Granted practice privileges</u> pursuant to [the provisions of subsection 3 of] NRS [628.335.] 628.315.
- 2. A person, partnership, corporation or limited-liability company shall not engage in the practice of public accounting under any name which is misleading as to:
  - (a) The legal form of the firm;
  - (b) The persons who are partners, officers, shareholders or members; or
  - (c) Any other matter.
- → The names of past partners, shareholders or members may be included in the name of a firm or its successors.
  - Sec. 3.9. NRS 630.220 is hereby amended to read as follows:
- 630.220 <u>1.</u> The Board shall maintain records pertaining to applicants to whom licenses or permits have been issued or denied. The records must be open to the public and must include:

- [1.] (a) The name of each applicant.
- [2.] (b) The name of the school granting the diploma to the applicant.
- [3.] (c) The date of the diploma.
- [4.] (d) The address of the applicant.
- [5.] (e) The date of issuance or denial of the license.
- 2. On or before January 31 of each year, the Executive Director of the Board shall compile a report on the number of:
- (a) Members of the Armed Forces of the United States, spouses of such members, veterans and surviving spouses of deceased veterans who applied for licensure by endorsement to the Board during the immediately preceding year;
- (b) Such licenses issued;
- (c) Such licenses denied and the reasons for denial; and
- (d) Days taken by the Board to process each such application.
- 3. On or before January 31 of each year, the Executive Director of the Board shall submit to the Director of the Legislative Counsel Bureau for transmittal to the Legislature or, if the Legislature is not in session, to the Legislative Commission, the report required pursuant to subsection 2.
  - Sec. 4. NRS 640.030 is hereby amended to read as follows:
- 640.030 1. The Nevada Physical Therapy Board, consisting of five members appointed by the Governor, and any nonvoting advisory members appointed by the Board pursuant to NRS 640.055, is hereby created.
  - 2. The Governor shall appoint:
- (a) Three members who are licensed physical therapists in the State of Nevada.
- (b) One member who is a licensed physical therapist assistant in the State of Nevada.
- (c) One member who is a representative of the general public. This member must not be:
  - (1) A physical therapist or a physical therapist assistant; or
- (2) The spouse or the parent or child, by blood, marriage or adoption, of a physical therapist or a physical therapist assistant.
  - 3. No member of the Board may serve more than two consecutive terms.
- 4. The Governor may remove any voting member of the Board for incompetency, neglect of duty, gross immorality or malfeasance in office.
  - 5. A majority of the voting members of the Board constitutes a quorum.
- 6. No member of the Board may be held liable in a civil action for any act which he or she has performed in good faith in the execution of his or her duties under this chapter.
- 7. The Board shall comply with the provisions of chapter 241 of NRS, and all meetings of the Board must be conducted in accordance with that chapter.
- 8. Each member of the Board, as soon as practicable after being first appointed to serve as a member of the Board, shall attend the training provided by the Office of the Attorney General pursuant to NRS 622.200.
  - Sec. 4.1. NRS 643.010 is hereby amended to read as follows:

- 643.010 As used in this chapter, unless the context otherwise requires:
- 1. "Barber school" includes a school of barbering, college of barbering and any other place or institution of instruction training persons to engage in the practice of barbering.
- 2. "Barbershop" means any establishment or place of business where the practice of barbering is engaged in or carried on.
- 3. "Board" means the State [Barbers' Health and Sanitation] Board [...] of Cosmetology created by NRS 644A.200.
- 4. "Instructor" means any person who is licensed by the Board pursuant to the provisions of this chapter to instruct the practice of barbering in a barber school.
- 5. "Licensed apprentice" means a person who is licensed to engage in the practice of barbering as an apprentice pursuant to the provisions of this chapter.
- 6. "Licensed barber" means a person who is licensed to engage in the practice of barbering pursuant to the provisions of this chapter.
- 7. "Practice of barbering" means any of the following practices for cosmetic purposes:
- (a) Shaving or trimming the beard, cutting or trimming the hair, or hair weaving.
- (b) Giving massages of the face or scalp or treatments with oils, creams, lotions or other preparations, by hand or mechanical appliances.
  - (c) Singeing, shampooing or dyeing the hair, or applying hair tonics.
- (d) Applying cosmetic preparations, antiseptics, powders, oils or lotions to the scalp, face or neck.
- (e) Arranging, fitting, cutting, styling, cleaning, coloring or dyeing a hairpiece or wig, whether made of human hair or synthetic material. This does not restrict any establishment from setting or styling a hairpiece or wig in preparation for retail sale.
  - 8. "Student" means a person receiving instruction in a barber school.
  - Sec. 4.2. NRS 643.060 is hereby amended to read as follows:
- 643.060 1. Except as otherwise provided in subsection 3, money received by the Board under this chapter must be [paid to the Secretary-Treasurer of the Board, who shall deposit the money] <u>deposited</u> in banks, credit unions, savings and loan associations or savings banks in the State of Nevada. [and give a receipt for it.]
- 2. The money must be expended in accordance with the provisions of this chapter for all necessary and proper expenses in carrying out the provisions of this chapter and upon proper claims approved by the Board.
- 3. The Board shall deposit the money collected from the imposition of fines with the State Treasurer for credit to the State General Fund, and may present a claim to the State Board of Examiners for recommendation to the Interim Finance Committee if money is needed to pay an attorney's fees or the costs of an investigation, or both.
- Sec. 4.3. 1. Any administrative regulations adopted by an officer or entity whose name has been changed or whose responsibilities have been

transferred pursuant to the provisions of this act remain in force until amended by the officer or entity to which the responsibility for the adoption of the regulations has been transferred.

- 2. Any contracts or other agreements entered into by an officer or entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act are binding upon the officer or entity to which the responsibility for the administration of the provisions of the contract or other agreement has been transferred. Such contracts and other agreements may be enforced by the officer or entity to which the responsibility for the enforcement of the provisions of the contract or other agreements has been transferred.
- 3. Any action taken by an officer or entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act remains in effect as if taken by the officer or entity to which the responsibility for the enforcement of such actions has been transferred.
- Sec. 4.4. The State Barbers' Health and Sanitation Board created by NRS 643.020, as that section exists on the effective date of this section, shall not expend any money pursuant to subsection 2 of NRS 643.060 without the approval of the State Board of Cosmetology created by NRS 644A.200.
- Sec. 4.5. The State Board of Cosmetology created by NRS 644A.200 shall adopt regulations and perform any other preparatory administrative tasks that are necessary to carry out the provisions of section 4.1 of this act not later than 1 year after the effective date of this section.
- Sec. 4.6. A person who, on the effective date of this section, is the holder of a valid license issued pursuant to chapter 643 of NRS shall be deemed to hold a license issued by the State Board of Cosmetology created by NRS 644A.200 pursuant to chapter 643 of NRS.
- Sec. 4.7. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
  - Sec. 4.8. 1. NRS 628.017 is hereby repealed.
- 2. NRS 643.020, 643.030, 643.040 and 643.055 are hereby repealed.
- Sec. 5. <u>1.</u> This <u>section and sections 4.4 and 4.5 of this act <del>[becomes]</del> become effective <del>[on July 1, 2019.]</del> upon passage and approval.</u>
- 2. Sections 3.9, 4 and 4.7 of this act become effective on July 1, 2019.
- 3. Sections 3.1 to 3.85, inclusive, and subsection 1 of section 4.8 of this act become effective upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out those provisions and on January 1, 2020, for all other purposes.
- 4. Sections 4.1, 4.2, 4.3 and 4.6 and subsection 2 of section 4.8 of this act become effective 1 year after passage and approval.

## **LEADLINES OF REPEALED SECTIONS**

- 628.017 "Home office" defined.
- 643.020 Creation; qualifications and removal of members.

643.030 Election of officers; salary of officers and members; per diem allowance and travel expenses of officers, members and employees; duties of Secretary-Treasurer.

643.040 Meetings; quorum; seal; quarters.

643.055 Fiscal year.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 486 makes five changes to Senate Bill No. 128. The amendment deletes sections 1 and 2, which authorize a regulatory body to enter into a contract or participate in a contract entered into by the Office of Finance to accept credit cards, debit cards or other electronic transfers of money and to charge and collect a convenience fee for any costs related to a transaction; deletes section 3, which provides that the Executive Director of the State Board of Landscape Architecture must consider a complaint that is filed with the Board to determine whether further proceedings are warranted; amends the bill to abolish the State Barbers' Health and Sanitation Board and transfer all of the powers and duties of that Board to the State Board of Cosmetology; amends the bill to require the Board of Medical Examiners to submit a report to the Legislature containing certain information relating to applicants for licensure by endorsement who are members of the Armed Forces of the United States, spouses of such members and veterans and surviving spouses of deceased veterans, and amends the bill to grant a certified public accounting firm that is registered in another state privileges to practice in this State.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 129.

Bill read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 526.

SUMMARY—Makes various changes relating to ethics in government. (BDR 23-191)

AN ACT relating to ethics in government; making various changes relating to the provisions governing ethics in government; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

With certain exceptions, the Nevada Ethics in Government Law (Ethics Law) governs the conduct of public officers and employees and, in certain situations, former public officers and employees after the end of their period of public service or employment. The Ethics Law is carried out and enforced by the Commission on Ethics, which is authorized to issue opinions interpreting the statutory ethical standards established by the Ethics Law and applying those standards to a given set of facts and circumstances. The Ethics Law also authorizes any state agency or the governing body of a county or city to establish a specialized or local ethics committee to complement the functions of the Commission. (Chapter 281A of NRS)

Under the Ethics Law, the Commission is authorized to issue advisory opinions requested by current and former public officers and employees who are: (1) seeking guidance on matters which directly relate to the propriety of

their own past, present or future conduct under the statutory ethical standards; or (2) requesting relief from certain provisions of the Ethics Law that allow the Commission to grant such relief. (NRS 281A.670-281A.690) The Commission is also authorized to issue opinions in response to ethics complaints filed with or initiated by the Commission regarding the propriety of the conduct of current and former public officers and employees under the statutory ethical standards. (NRS 281A.700-281A.790)

This bill amends the Ethics Law by clarifying, revising and adding to existing provisions which govern: (1) the operation, powers, functions and duties of the Commission, its members and staff and any specialized or local ethics committees; (2) the statutory ethical standards that apply to the conduct of current and former public officers and employees; and (3) the proceedings concerning requests for advisory opinions and ethics complaints and the issuance of opinions and the imposition of remedies and penalties by the Commission.

Sections 2, [7 9,] 7, 9, 23-27 and 29-31 of this bill make various changes to existing provisions of the Ethics Law which govern the operation, powers, functions and duties of the Commission, its members and staff and any specialized or local ethics committees. (NRS 281A.200-281A.350) Under the Ethics Law, the Commission must annually elect a Chair and Vice Chair who are assigned certain powers, functions and duties. (NRS 281A.210, 281A.220, 281A.240, 281A.300) Sections 2 and 23 of this bill provide for the Chair's powers, functions and duties to be assigned for a particular matter to the Vice Chair or another member of the Commission under certain circumstances. Section 30 of this bill provides for a member of the Commission to administer oaths when appointed by the Chair to preside over any meetings, hearings or proceedings.

The Ethics Law requires the Chair to appoint review panels, consisting of three members of the Commission, to review ethics complaints during the investigatory stage of the proceedings, and if a review panel determines that there is just and sufficient cause for the Commission to render an opinion in a matter, the members of the review panel generally cannot participate in any further proceedings of the Commission relating to that matter. (NRS 281A.220) However, the Ethics Law permits the members of the review panel to authorize the development of and approve a deferral agreement in the proceedings. (NRS 281A.730) Section 24 of this bill permits one or more members of the review panel, with the consent of the parties, to participate as mediators or facilitators in any settlement negotiations between the parties that are conducted in the proceedings before the Commission holds an adjudicatory hearing in the matter.

The Ethics Law requires the Commission to appoint and prescribe the duties of the Executive Director who must have experience in administration, investigations and law. (NRS 281A.230) Section 25 of this bill adds to these qualifications by requiring the Executive Director to be an attorney who is licensed to practice law in Nevada.

Under the Ethics Law, the Commission may conduct investigations and proceedings and secure the participation and attendance of witnesses and the production of any books and papers. (NRS 281A.290, 281A.300) Section 7 of this bill requires public officers and employees to cooperate with the Commission in its investigations and proceedings and to furnish information and reasonable assistance to the Commission, except to the extent that they are entitled to the protection of certain rights, privileges or immunities or any confidentiality or other protection recognized by law. Section [8 of this bill requires, upon the request of the Commission, specified law enforcement officers to serve process on behalf of and execute lawful orders of the Commission. Sections 7 and 8 are] 7 is modeled, in part, on similar provisions governing the Commission on Judicial Discipline. (NRS 1.460)

The Ethics Law requires the Commission on Ethics to appoint and prescribe the duties of the Commission Counsel who is the legal adviser to the Commission and who, in most cases, is directed by the Commission to act as legal counsel in any litigation in which the Commission or its members or staff are parties in an official capacity. (NRS 281A.250, 281A.260) Under Nevada's Open Meeting Law, the Commission may receive information regarding any litigation from its legal counsel and deliberate toward a decision regarding the litigation without holding a public meeting that complies with the Open Meeting Law. (NRS 241.015) However, the Commission cannot take action regarding the litigation, such as authorizing an appeal in the litigation, unless the Commission takes the action in a public meeting that complies with the Open Meeting Law. (Comm'n on Ethics v. Hansen, 134 Nev. Adv. Op. 40, 419 P.3d 140, 142-43 (2018))

Section 9 of this bill allows the Commission to delegate authority to the Chair or the Executive Director, or both, to make decisions regarding any litigation in which the Commission or its members or staff are parties in an official capacity. Sections 9 and 64 of this bill also provide that during any period in which proceedings concerning a request for an advisory opinion or an ethics complaint are confidential under the Ethics Law, the Open Meeting Law does not apply to any meetings, hearings, deliberations or actions of the Commission involving: (1) any decisions in litigation concerning any judicial action or proceeding related to the request for an advisory opinion or the ethics complaint; and (2) any delegation of authority to make such decisions in the litigation to the Chair or the Executive Director, or both. Section 27 of this bill specifies the powers and duties of the Commission Counsel regarding any litigation in which the Commission or its members or staff are parties in an official capacity. Section 27 also authorizes the Commission Counsel to file an appeal or seek other appellate relief in the litigation with the consent or ratification of: (1) the Commission; or (2) the Chair or the Executive Director, or both, when the Commission has delegated authority under section 9 to provide such consent or ratification.

Under the Ethics Law, a specialized or local ethics committee may: (1) establish its own code of ethical standards suitable for the particular ethical

problems encountered in its sphere of activity; and (2) render opinions upon the request of public officers and employees subject to its jurisdiction seeking an interpretation of its own code of ethical standards on certain questions. However, a specialized or local ethics committee may not attempt to interpret or render an opinion regarding the statutory ethical standards subject to the jurisdiction of the Commission, but it may refer such questions to the Commission. (NRS 281A.350) Section 31 of this bill clarifies the circumstances when such questions may be referred to the Commission as a request for an advisory opinion. Section 31 also makes conforming changes to ensure consistency with the other revisions that this bill makes to the Ethics Law.

The Ethics Law establishes statutory ethical standards that are intended to enhance the people's faith in the integrity and impartiality of public officers and employees by requiring appropriate separation between the roles of persons who are both public servants and private citizens in order to avoid conflicts between their private interests and the interests of the general public whom they serve. (NRS 281A.020, 281A.400-281A.550) Sections 5, 6, [10-12], 11, 18 and 32-38 of this bill make various changes to the statutory ethical standards.

Sections 5 and 6 of this bill restate more clearly the existing scope of the statutory ethical standards and their applicability to the conduct of current and former public officers and employees. Section 6 also codifies the existing rule of construction that the standards are cumulative and supplement each other and all such standards are enforceable to the extent that they apply to the given set of facts and circumstances.

The Ethics Law prohibits public officers and employees from engaging in certain unethical conduct that benefits themselves, any business entities in which they have a significant pecuniary interest or any persons to whom they have a commitment in a private capacity. (NRS 281A.400, 281A.420) The Ethics Law defines the persons to whom public officers and employees have a "commitment in a private capacity" to include: (1) the spouse or domestic partner of the public officer or employee, any member of his or her household or any relative within the third degree of consanguinity or affinity; (2) any person who employs the public officer or employee, his or her spouse or domestic partner or any member of his or her household; (3) any person with whom the public officer or employee has a substantial and continuing business relationship; or (4) any person with whom the public officer or employee has any other commitment, interest or relationship that is substantially similar to the foregoing commitments, interests or relationships. (NRS 281A.065) Section 18 of this bill [amends this] makes technical and stylistic revisions to the definition to provide that public officers and employees also have all of "commitment in a private capacity" [to any person for whom they serve in a private capacity: (1) as an officer or a member of the board of directors or in a similar fiduciary capacity: (2) as a volunteer for a substantial amount of their personal time; or (3) as a volunteer on a regular or recurring basis, regardless

of the amount of their personal time devoted to such service.] that do not change its substantive meaning.

The Ethics Law prohibits public officers and employees from using their position in government to secure or grant any unwarranted privileges, preferences, exemptions or advantages for themselves, any business entities in which they have a significant pecuniary interest or any persons to whom they have a commitment in a private capacity. (NRS 281A.400) Section [10 of this hill adds to the statutory othical standards by providing that when public officers and employees approve, disapprove, vote or otherwise act upon a matter, they are prohibited for a 1 year period afterwards, regardless of whether their public service or employment ends during that period, from securing or granting any unwarranted privileges, preferences, exemption advantages reasonably related to the matter for the private benefit of themselves, any business entities in which they have a significant pecuniary interest or any persons to whom they have a commitment in a private capacity, including, without limitation, securing or granting any gift, service employment, engagement, emolument or economic opportunity reasor related to the matter. However, the prohibition in section 10 does not apply if the resulting benefit accruing from the action is not greater than that accruing to any other member of any general business, profession, occupation or group that is affected by the matter. Section 10 also authorizes the Commission to grant relief from the strict application of this prohibition in specified circumstances.

—Section] 11 of this bill adds to the statutory ethical standards by prohibiting public officers and employees from using their position or power in government to take any actions or compel a subordinate to take any actions that a reasonable person would find, based on the given set of facts and circumstances, to be a gross or unconscionable abuse of official position or power that [undermines the people's faith in] would undermine the integrity or impartiality of [public officers and employees.] a reasonable person in the public officer's or employee's position under the same or similar facts and circumstances. However, the prohibition in section 11 does not apply to any allegations claiming only bias, error or abuse of discretion in any actions taken by public officers and employees within the normal course and scope of their position or power in government.

The Ethics Law contains a general provision that prohibits public officers and employees from using governmental time, property, equipment or other facility to benefit a significant personal or pecuniary interest of the public officers and employees or any persons to whom they have a commitment in a private capacity. By contrast, the Ethics Law also contains a specific provision that prohibits State Legislators from using governmental time, property, equipment or other facility for a nongovernmental purpose or for the private benefit of the Legislators or any other persons. Both of these prohibitions contain separate limited-use exceptions that allow a limited use of governmental property, equipment or other facility for personal purposes if the

limited use meets certain requirements. (NRS 281A.400) Section 32 of this bill revises these prohibitions and limited-use exceptions in several ways.

First, [with regard to the prohibitions,] section 32 of this bill [changes the term "a significant personal or pecuniary interest" to "a significant pecuniary interest or a nonpecuniary personal interest," and section 32 also] aligns the prohibitions so they employ the same prohibitive language for Legislators and other public officers and employees. As a result, subject to the limited-use exceptions, section 32 prohibits all public officers and employees from using governmental time, property, equipment or other facility to benefit a significant personal or pecuniary interest [or a nonpecuniary personal interest] of the public officers and employees or any persons to whom they have a commitment in a private capacity.

Second, with regard to the limited-use exceptions that apply to public officers and employees other than Legislators, one of the existing requirements for the exceptions is that the public officer or employee who is responsible for and has authority to authorize the limited use for personal purposes must have established a policy allowing the limited use. Section 32 of this bill clarifies the exception by providing that the limited use must be authorized by a written policy which was adopted before the limited use occurs.

Finally, with regard to the limited-use exceptions that apply to Legislators and other public officers and employees, one of the existing requirements for the exceptions is that the limited use for personal purposes must not create the appearance of impropriety. Section 32 of this bill defines the term "appearance of impropriety" as a perception by a reasonable person that, based on the given set of facts and circumstances, the limited use for personal purposes is inappropriate, disproportionate, excessive or unreasonable under that given set of facts and circumstances.

[ The Ethics Law prohibits public officers and employees from attempting, through the influence of a subordinate, to benefit a significant personal or pecuniary interest of the public officers and employees or any persons to whom they have a commitment in a private capacity. (NRS 281A.400) Section 32 of this bill changes the term "a significant personal or pecuniary interest" to "a significant pecuniary interest or a nonpecuniary personal interest" for the purposes of this prohibition.]

With certain exceptions, the Ethics Law prohibits public officers and employees from acting upon a matter in which their personal or private interests may create potential conflicts of interests unless, at the time the matter is considered, they make a disclosure that is sufficient to inform the public of their potential conflicts of interests. (NRS 281A.420) Section 34 of this bill provides that, when public officers and employees make such a public disclosure, they are not required to disclose any information which is confidential as a result of a bona fide relationship that protects the confidentiality of the information under the terms of a contract or as a matter of law, such as the attorney-client relationship, if they: (1) disclose all

nonconfidential information and describe the general nature of the protected relationship; and (2) abstain from acting upon the matter.

The Ethics Law allows certain public officers to represent or counsel private persons for compensation before state or local agencies in which they do not serve. In addition, although the Ethics Law requires public officers to disclose such private representation or counseling when it may create potential conflicts of interests with their public duties, they are not required to abstain from acting on a matter because of those potential conflicts of interests. (NRS 281A.410, 281A.420) Section 34 of this bill requires public officers to abstain from acting on a matter under certain circumstances when such private representation or counseling results in conflicts of interests with their public duties.

With certain exceptions, the Ethics Law prohibits public officers and employees from bidding on or entering into government contracts between any business entities in which they have a significant pecuniary interest and any state or local agencies. The Ethics Law contains several exceptions to the contracting prohibition, including an exception for certain contracts that are awarded by competitive selection. The Ethics Law also allows the Commission to grant relief from the strict application of the contracting prohibition in specified circumstances. (NRS 281A.430) Section 35 of this bill revises the contracting prohibition to provide that, with certain exceptions, public officers and employees cannot, directly or through a third party, negotiate, bid on, enter into, perform, modify or renew any government contracts between: (1) the public officers and employees or any business entities in which they have a significant pecuniary interest; and (2) an agency in which they serve or an agency that has any connection, relation or affiliation with an agency in which they serve. Section 35 also makes conforming changes to the existing exceptions and adds a new exception for certain contracts that, by their nature, are not adapted to be awarded by competitive selection.

With certain exceptions, the Ethics Law prohibits public officers and employees from accepting or receiving an honorarium to make a speech or appearance in their official capacity but allows: (1) the payment of costs incurred by a public officer or employee, his or her aide or his or her spouse for transportation, lodging and meals while away from the public officer's or employee's residence to make such a speech or appearance; and (2) the receipt of an honorarium by a spouse when it is related to the spouse's profession or occupation. (NRS 281A.510) Section 37 of this bill clarifies that the exceptions which apply to a spouse also apply to a domestic partner.

The Ethics Law prohibits certain former public officers and employees, for a 1-year "cooling-off" period after the termination of their public service or employment, from soliciting or accepting private employment from any entities regulated or awarded certain contracts by the agencies that employed the former public officers and employees. However, the Ethics Law also allows the Commission to grant relief from the strict application of the prohibition in specified circumstances. (NRS 281A.550) Section 38 of this bill

<u>felarifies</u>] <u>provides</u> that certain current <u>and former</u> public officers and <u>management-level public</u> employees are subject to <u>fasimilar</u>] the "cooling-off" period <u>both</u> during <u>and after</u> their public service or employment and cannot solicit or accept private employment from such entities under similar circumstances. Section 38 also provides that the "cooling-off" period applies when <u>certain</u> current and former public officers and employees are or were <u>materially</u> involved in the implementation, management or administration of certain contracts awarded by their employing agencies.

The Ethics Law requires public officers to execute and timely file with the Commission written acknowledgments that they have received, read and understand the statutory ethical standards and that they have a responsibility to become familiar with any amendments to those standards. (NRS 281A.500) [Sections 12 and 36] Section 11.5 of this bill fallow the Commission to seek and recover civil penalties when public officers fail to file the acknowledgments or fail to file them in a timely manner. However, under section 66 of this bill, the Commission cannot seek and recover civil penalties for any overdue or late filed acknowledgments if the last day for timely filing the acknowledgments with the Commission occurs before January 1, 2020. The civil penalties authorized by sections 12 and 36 are modeled on the civil <del>penalties that]</del> requires the appropriate appointing authorities and administrative officials at the state and local level to: (1) compile a list of the public officers within their purview who must file the written acknowledgment of the statutory ethical standards; and (2) submit the list annually to the Commission. Under existing law, these same appointing authorities and administrative officials must compile and submit a similar list annually to the Secretary of State [may recover from] concerning public officers [when they fail to who must file financial disclosure statements for fail to file them in a timely manner.] with the Secretary of State. (NRS [281.581)] 281.574)

The Ethics Law contains existing provisions which govern the proceedings concerning requests for advisory opinions and ethics complaints and the issuance of opinions and the imposition of remedies and penalties by the Commission. (NRS 281A.665-281A.790) Sections 3, 4, [13,] 14, 16, 17, 19-22, 28 and 39-62 of this bill make various changes to these existing provisions.

Under the Ethics Law, the Commission issues opinions interpreting the statutory ethical standards and applying those standards to a given set of facts and circumstances. (NRS 281A.680, 281A.710) The Ethics Law also directs the Legislative Counsel to prepare annotations of the Commission's published opinions for inclusion in NRS. (NRS 281A.290) Under existing legal principles governing administrative procedure, the published opinions of an administrative agency constitute administrative precedents with persuasive value. (Sears, Roebuck & Co. v. All States Life Ins. Co., 246 F.2d 161, 169 (5th Cir. 1957); E. H. Schopler, Annotation, Applicability of Stare Decisis Doctrine to Decisions of Administrative Agencies, 79 A.L.R.2d 1126

§§ 4-7 (1961 & Westlaw 2019); 2 Am. Jur. 2d *Administrative Law* § 360 (Westlaw 2019))

Section 4 of this bill defines "published opinion" as an opinion issued by the Commission that is publicly available on the Internet website of the Commission. Section 39 of this bill codifies existing legal principles by stating that the Commission's published opinions constitute administrative precedents with persuasive value. Sections 29 and 39 of this bill move and recodify within the Ethics Law the existing provision that directs the Legislative Counsel to prepare annotations of the Commission's published opinions for inclusion in NRS.

Under existing law, the Attorney General is the legal advisor on all matters arising in the state agencies of the Executive Department, unless a specific statute authorizes the state agencies to employ or retain legal counsel other than the Attorney General. (NRS 228.110) With certain exceptions, the Ethics Law requires the Attorney General to provide legal representation for current and former state officers and employees of the Executive Department who are subject to ethics complaints. (NRS 281A.163, 281A.705) Existing law also authorizes the Attorney General to provide legal representation for current state officers and employees of the Executive Department who file requests for advisory opinions involving state matters. (NRS 228.110) In proceedings under the Ethics Law, existing law also authorizes the Legislative Counsel to provide legal representation for current and former Legislators and other legislative officers and employees in their official capacity under certain circumstances. (NRS 218F.720; Comm'n on Ethics v. Hansen, 134 Nev. Adv. Op. 40, 419 P.3d 140, 143 n.4 (2018)) Finally, under existing legal principles governing counties, cities and other political subdivisions, local agencies are authorized to provide legal representation for current and former local officers and employees in their official capacity under certain circumstances, unless a specific statute provides otherwise. (56 Am. Jur. 2d Municipal Corporations, Counties, and Other Political Subdivisions §§ 187 & 194-197 (Westlaw 2019); Eugene McQuillin, Law of Municipal Corporations §§ 12:84 & 29:16 29:19 (3d od. Wostlaw 2019))

Sections 13 and 46 of this bill provide that, with certain exceptions, the official attorney of a state executive branch agency or local agency, as applicable, must provide legal representation for: (1) current public officers and employees who file requests for advisory opinions; and (2) current and former public officers and employees who are subject to ethics complaints. For the purposes of sections 13 and 46, the term "official attorney" is defined as: (1) the Attorney General for any state executive branch agency that is represented by the Attorney General; (2) the chief legal officer or other authorized legal representative for any state executive branch agency that is authorized to employ or retain legal counsel other than the Attorney General; and (3) the chief legal officer or other authorized legal representative for any local agency.

The Ethics Law authorizes public officers and employees to file with the Commission requests for advisory opinions to: (1) seek guidance relating to the propriety of their own past, present or future conduct under the statutory ethical standards; or (2) request relief from the strict application of certain provisions of the Ethics Law. (NRS 281A.675) Section 41 of this bill authorizes the supervisory head or the legal counsel of a public body, agency or employer to file with the Commission a request for an advisory opinion to seek guidance relating to the application of the statutory ethical standards to a hypothetical or general set of facts and circumstances involving one or more particular positions with the public body, agency or employer. Section 41 also allows the Commission to request additional information relating to a request for an advisory opinion from the requester and certain other specified persons.

If the requester properly files a request for an advisory opinion, the Ethics Law requires the Commission to render an advisory opinion in the matter within a certain time limit after receiving the request, unless the requester waives the time limit. (NRS 281A.680) Sections 28 and 42 of this bill revise the Commission's jurisdiction and procedures regarding a request for an advisory opinion. Under the Ethics Law, the Commission generally has jurisdiction over ethics complaints filed or initiated within 2 years after the alleged violation or reasonable discovery of the alleged violation. (NRS 281A.280) Section 28 of this bill similarly provides that the Commission's jurisdiction over a request for an advisory opinion extends only to past conduct occurring within 2 years of the date on which the request is filed. Section 42 allows the Commission to stay or dismiss the proceedings concerning the request for an advisory opinion under certain circumstances when an ethics complaint is also filed or pending that involves some or all of the same issues or facts and circumstances as the request for an advisory opinion. Section 42 also requires the Commission to render a decision regarding the request for an advisory opinion within the existing time limit, subject to certain exceptions. However, section 42 provides the Commission with more time to prepare the written advisory opinion in the matter by requiring the Commission to issue the written advisory opinion within a specified time limit after the decision is rendered.

Under the Ethics Law, certain materials relating to a request for an advisory opinion are confidential and not public records unless the requester: (1) authorizes the Commission to disclose the materials; or (2) voluntarily discloses the materials to persons other than those specified in the statute. (NRS 281A.685) Section 43 of this bill clarifies that any authorization given by the requester is limited to the specific materials that the requester authorizes the Commission to disclose. Section 43 also revises the specified persons to whom the requester may voluntarily disclose the materials without waiving the confidentiality of the materials.

With certain exceptions, the Commission is subject to the Open Meeting Law, which generally requires most meetings of public bodies to be open to the public. (Chapter 241 of NRS) However, under the Ethics Law, the Open

Meeting Law does not apply to meetings, hearings, deliberations and actions of the Commission relating to requests for advisory opinions, although the requester of the advisory opinion may file a request with the Commission to hold a public meeting or hearing regarding the matter. (NRS 281A.690) Section 44 of this bill provides that if the Commission grants such a request for a public meeting or hearing regarding the matter, the Commission must provide public notice of the meeting or hearing and the meeting or hearing must be open to the public and conducted in accordance with the regulations of the Commission, but the meeting or hearing is not subject to specific requirements of the Open Meeting Law.

In addition to rendering advisory opinions, the Commission is also authorized by the Ethics Law to render opinions regarding the propriety of the conduct of public officers and employees under the statutory ethical standards in response to ethics complaints. [: (1) filed with the Commission by a specialized or local ethics committee or any person other than an incarcerated person; or (2) initiated by the Commission on its own motion but such a motion cannot be based solely on an anonymous complaint.] (NRS 281A.710) [Section 47 of this bill authorizes the Commission to initiate an ethics complaint on its own motion based on an anonymous complaint if the information in the anonymous complaint is publicly available information or is independently verified by the Commission or its staff as accurate and reliable information.

— Within Not later than 45 days after receiving an ethics complaint, the Ethics Law requires the Commission to determine initially whether it has jurisdiction over the ethics complaint and whether an investigation is warranted in the matter, unless the subject of the ethics complaint waives the time limit. (NRS 281A.715) Section 48 of this bill authorizes the Executive Director, during this initial period, to conduct a preliminary investigation to obtain additional information concerning the allegations in the ethics complaint to assist the Commission in making its initial determination. In addition, section 48: (1) allows the Commission to extend the time limit for good cause; and (2) eliminates, as unnecessary, the provision authorizing the subject to waive the time limit because the subject does not receive notice of the matter during this initial period, but only receives notice of the matter if the Commission determines that it has jurisdiction and an investigation is warranted. Section 48 also allows the Commission to dismiss an ethics complaint initiated on its own motion if it determines that the evidence is not sufficient to warrant an investigation in the matter but requires the Commission to issue a letter of caution or instruction in those circumstances.

Under the Ethics Law, if the Commission determines that it has jurisdiction over an ethics complaint and an investigation is warranted, the subject of the ethics complaint is served with a notice of the investigation and provided with an opportunity to submit a response to that notice. (NRS 281A.720) As part of the investigation, the Ethics Law permits the Executive Director to secure the subject's participation, attendance as a witness or production of books and

papers under existing procedures. (NRS 281A.300) Section 49 of this bill clarifies that, regardless of whether the subject submits a response to the investigation, the Executive Director retains the authority during the course of the investigation to secure the subject's participation, attendance as a witness or production of books and papers under those existing procedures.

Within 70 days after the Commission directs the Executive Director to investigate an ethics complaint, the Ethics Law requires the Executive Director to present a written recommendation to the review panel regarding the sufficiency of the evidence concerning the ethics complaint, unless the subject waives the time limit. (NRS 281A.725) Section 50 of this bill allows the presiding officer of the review panel to grant the Executive Director extensions of the time limit for good cause.

Within 15 days after the Executive Director presents the written recommendation to the review panel, the Ethics Law requires the review panel to determine whether there is just and sufficient cause for the Commission to render an opinion regarding the ethics complaint, unless the subject waives the time limit. If the review panel determines that there is not just and sufficient cause, the Ethics Law requires the review panel to dismiss the matter, but the review panel may issue a confidential letter of caution or instruction to the subject as part of the dismissal. If the review panel determines that there is just and sufficient cause but reasonably believes that the conduct at issue may be appropriately addressed through additional training or other corrective action, the Ethics Law authorizes the review panel to approve a deferral agreement between the Executive Director and the subject to defer further proceedings in the matter under the terms and conditions of the deferral agreement. If the subject complies with the terms and conditions of the deferral agreement, the matter must be dismissed. However, if the subject fails to comply with the terms and conditions of the deferral agreement, the deferral agreement may be vacated and further proceedings conducted in the matter before the Commission. If the review panel does not believe that a deferral agreement is appropriate or if the subject declines to enter into such a deferral agreement, the Ethics Law requires the review panel to refer the matter to the Commission for further proceedings. (NRS 281A.730, 281A.740)

Section 51 of this bill provides that after the review panel makes its determination in the matter, it must serve written notice of its determination on the subject. Sections 51 and 52 of this bill further provide that if the review panel authorizes the development of a deferral agreement, the review panel must specify in its written notice a time limit within which the deferral agreement must be developed, but the review panel may grant extensions of the time limit for good cause. Finally, section 51 provides that if the deferral agreement is not developed within the time limit, or any extension thereof, the review panel must refer the matter to the Commission for further proceedings.

The Ethics Law establishes various requirements regarding the adjudication of ethics complaints referred to the Commission for further proceedings. (NRS 281A.745-281A.760) Sections 3 and 53 of this bill clarify that the

parties to the proceedings are: (1) the Executive Director or his or her designee who present the case to the Commission at the adjudicatory hearing in the matter; and (2) the subject of the ethics complaint who has the right to written notice of the hearing, to be represented by legal counsel and to hear the evidence presented to the Commission and to present his or her own case. Section 53 also requires the Commission to provide the parties with a written schedule for discovery in order to prepare for the hearing.

The Ethics Law requires the Commission to hold the hearing and render an opinion in the matter within a certain time limit, unless waived by the subject, and the Ethics Law requires the opinion to include findings of fact and conclusions of law. (NRS 281A.745, 281A.765) Section 53 of this bill requires the Commission to render a decision in the matter within the existing time limit, unless waived by the subject, but section 53 provides the Commission with more time to prepare the written opinion in the matter by requiring the Commission to issue the written opinion within a specified time limit after the decision is rendered. Sections 53 and 57 of this bill also clarify that, in addition to including findings of fact and conclusions of law, the written opinion must otherwise comply with the requirements for a final decision under Nevada's Administrative Procedure Act. (NRS 233B.125)

With certain exceptions, the Ethics Law requires, or in some cases allows, the Commission to keep the identity of certain persons who file ethics complaints confidential in order to protect those persons from potential harm. (NRS 281A.750) Section 54 of this bill clarifies that such confidentiality extends to all materials that, if disclosed, would reveal the identity of the confidential requester. Section 54 also clarifies that the identity of the confidential requester remains protected if the Executive Director does not intend to present the testimony of the confidential requester as evidence in the matter. However, if the Executive Director intends to present the testimony of the confidential requester as evidence in the matter, section 54 provides that the Executive Director must disclose the name of the confidential requester only as a proposed witness in accordance with the schedule for discovery in the matter.

Under the Ethics Law, the subject of an ethics complaint may submit a written discovery request for a list of proposed witnesses and a copy of any materials in the investigative file that the Executive Director intends to present as evidence in the matter. The Ethics Law also provides that the materials in the investigative file are confidential, except that any materials which the Executive Director presents as evidence in the matter become public records. (NRS 281A.755) Section 55 of this bill requires any written discovery request to be submitted in accordance with the schedule for discovery in the matter. Section 55 also provides that any materials which the Executive Director presents as evidence in the matter become public records after the Commission takes final action concerning the ethics complaint in a public meeting or hearing held under section 56 of this bill.

In proceedings concerning an ethics complaint, the Ethics Law exempts from the Open Meeting Law: (1) any meeting or hearing held by the Commission to receive information or evidence concerning the ethics complaint; and (2) any deliberations of the Commission on such information or evidence. However, the Ethics Law does not exempt the Commission's actions concerning the ethics complaint from the Open Meeting Law. (NRS 281A.760) Section 56 of this bill generally exempts the Commission's actions concerning the ethics complaint from the Open Meeting Law. However, section 56 requires the Commission to take final action concerning the ethics complaint in a public meeting or hearing for which the Commission provides public notice and which is open to the public and conducted in accordance with the regulations of the Commission, but the meeting or hearing is not subject to specific requirements of the Open Meeting Law.

The Ethics Law establishes various requirements regarding the disposition of ethics complaints and the imposition of remedies and penalties. (NRS 281A.765-281A.790) Under the Ethics Law, there are two types of violations: (1) willful violations that require proof of specific mental elements showing that the subject of an ethics complaint committed the violations intentionally and knowingly; and (2) other violations that do not require proof of those specific mental elements. (NRS 281A.170) To determine whether violations are willful, the Ethics Law requires the Commission to: (1) consider a nonexclusive list of aggravating and mitigating factors, as well as any other reasonably related factors; and (2) ensure when it applies those factors that the disposition of the matter bears a reasonable relationship to the severity of the violations. (NRS 281A.775) For any violations, whether or not willful, the Ethics Law authorizes the Commission to impose certain remedies, such as training, a remedial course of action or public admonishment. (NRS 281A.785) However, for willful violations, the Ethics Law also authorizes more severe remedies and penalties, such as substantial civil penalties and public reprimand or censure. In some cases involving willful violations, the Ethics Law further requires the Commission to seek removal of certain public officers through court proceedings or to submit the matter to the appropriate House of the Legislature for consideration of additional remedies and penalties against certain public officers, including removal through impeachment or expulsion. (NRS 281A.785, 281A.790)

Sections 22, 59, 61 and 62 of this bill eliminate the category of willful violations and revise and clarify some of the existing remedies and penalties under the Ethics Law. First, section 22 of this bill defines the term "violation" to provide that all violations of the Ethics Law require proof of specific mental elements showing that the subject of an ethics complaint committed the violations intentionally and knowingly. If the Commission determines that such violations have been proven, sections 59, 61 and 62 of this bill require the Commission to determine which of the less or more severe remedies and penalties to impose against the subject for those violations by: (1) considering the existing nonexclusive list of aggravating and mitigating factors, as well as

any other reasonably related factors; and (2) ensuring when it applies those factors that the disposition of the matter bears a reasonable relationship to the severity of the violations. Section 62 of this bill also clarifies that in determining whether the subject has committed one or more violations, each separate act or event that constitutes a violation must be treated as a separate violation that is cumulative to all other violations, whenever committed, without regard to the sequence of the violations or whether the violations are established in the same or separate proceedings. Section 62 additionally revises the types of violations that authorize or require the Commission to pursue judicial removal proceedings or to refer the matter to the appropriate House of the Legislature or the appropriate public employer for possible disciplinary action. Finally, as part of the existing remedies and penalties, the Commission may express its official disapproval, reproof or condemnation of violations by using public admonishment, reprimand or censure depending on the degree of willfulness or severity of the violations. (NRS 281A.785) Section 61 of this bill eliminates public admonishment and censure as potential sanctions but retains public reprimand as the Commission's means for officially rebuking violations.

The Ethics Law prohibits any person from preventing, interfering with or attempting to prevent or interfere with investigations or proceedings or the discovery of violations under the Ethics Law and authorizes the Commission to impose civil penalties and, under certain circumstances, assess against such a person certain attorney's fees and costs incurred by others as a result of the act. (NRS 281A.790) Sections 28 and 62 of this bill: (1) deem the person's act to be a violation of the Ethics Law; (2) specify that the Commission has jurisdiction to investigate and take appropriate action regarding the violation in any proceeding commenced within 2 years after the violation or reasonable discovery thereof; and (3) require the Commission, before taking appropriate action, to provide the person with a written notice of the charges and an opportunity for a hearing in accordance with the regulations of the Commission. Section 62 also authorizes the Commission, under certain circumstances, to assess against the person certain attorney's fees and costs incurred by the Commission as a result of the violation.

Under the Nevada Constitution, each House of the Legislature has certain plenary and exclusive constitutional powers, including powers to discipline members for certain unethical legislative conduct, which may be exercised only by that House and which cannot be usurped, infringed or impaired by the other House or by any other branch of Nevada's State Government. (Nev. Const. Art. 3, § 1, Art. 4, § 6; *Heller v. Legislature*, 120 Nev. 456 (2004); *Comm'n on Ethics v. Hardy*, 125 Nev. 285 (2009); *Mason's Manual of Legislative Procedure* §§ 560-564 (2010)) Furthermore, under the constitutional doctrines of separation of powers and legislative privilege and immunity, Legislators have the constitutional right to be protected from having to defend themselves, from being held liable and from being questioned or sanctioned by the other branches in administrative or judicial proceedings for

speech, debate, deliberation and other actions performed within the sphere of legitimate legislative activity. (Nev. Const. Art. 3, § 1, Art. 4, § 6; NRS 41.071; Bogan v. Scott-Harris, 523 U.S. 44, 54 (1998) ("Absolute legislative immunity attaches to all actions taken 'in the sphere of legitimate legislative activity.' " (quoting Tenney v. Brandhove, 341 U.S. 367, 376 (1951))); Guinn v. Legislature (Guinn II), 119 Nev. 460, 472 (2003) ("Under the separation of powers doctrine, individual legislators cannot, nor should they, be subject to fines or other penalties for voting in a particular way."); Steiner v. Superior Court, 58 Cal. Rptr. 2d 668, 678 n.20 (Cal. Ct. App. 1996) ("The California separation of powers provision, however, provides a sufficient ground to protect legislators from punitive action that unduly impinges on their function."); Luther S. Cushing, Elements of the Law & Practice of Legislative Assemblies §§ 601-603 (1856); 1 Joseph Story, Commentaries on the Constitution of the United States § 866 (5th ed. 1905); Thomas M. Cooley, A Treatise on Constitutional Limitations 929 (8th ed. 1927)) As a result, under the Ethics Law, the Commission cannot exercise jurisdiction or authority over or inquire into, intrude upon or interfere with the functions of a Legislator that are protected by legislative privilege and immunity. (NRS 281A.020)

Section 14 of this bill provides that if the Commission determines at any time during proceedings concerning an ethics complaint against a Legislator that any allegations in the ethics complaint are within the jurisdiction or authority of the Legislator's House, and not within the Commission's jurisdiction or authority, the Commission may authorize the Executive Director to file a complaint with the Legislator's House alleging a breach of legislative ethical standards under the House's standing rules. Sections 14 and 63 of this bill also acknowledge that such a complaint filed with the Legislator's House and all materials related to the allegations in the complaint are confidential and are not public records, unless those materials become publicly available in a manner authorized by the House's standing rules.

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

Section 1. Chapter 281A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 14, inclusive, of this act.

Sec. 2. "Chair" means:

- 1. The Chair of the Commission; or
- 2. The Vice Chair or another member of the Commission serving in the capacity of the Chair pursuant to NRS 281A.210.
- Sec. 3. "Party" means, for the purposes of the adjudication and disposition of proceedings concerning an ethics complaint pursuant to this chapter:
  - 1. The Executive Director or his or her designee; and
- 2. The public officer or employee who is the subject of the ethics complaint.

- Sec. 4. "Published opinion" means an opinion issued by the Commission that is publicly available on the Internet website of the Commission.
- Sec. 5. "Statutory ethical standards" means the statutory ethical standards set forth in the provisions of this chapter.
- Sec. 6. 1. The provisions of this chapter establish statutory ethical standards to govern the conduct of:
  - (a) Public officers and employees; and
- (b) Former public officers and employees in situations where the statutory ethical standards apply to the conduct of former public officers and employees after the end of any period of public service or employment.
- 2. The statutory ethical standards are cumulative and supplement each other, and the application of any one of the statutory ethical standards to a given set of facts and circumstances does not bar the application of any other of the statutory ethical standards that also apply to the given set of facts and circumstances.
- Sec. 7. 1. Every public officer or employee of the State or one of its political subdivisions, regardless of whether he or she is otherwise subject to the provisions of this chapter, shall cooperate with the Commission in any lawful investigations or proceedings of the Commission and furnish information and reasonable assistance to the Commission or its authorized representative, except to the extent that the public officer or employee is entitled to:
- (a) Any <u>right</u>, privilege or immunity <u>f</u>, recognized by law, other than any common-law privilege or immunity abrogated pursuant to NRS 281A.185; or
  - (b) Any confidentiality or other protection recognized by law.
- 2. If a public officer or employee is entitled to any protection pursuant to paragraph (a) or (b) of subsection 1, that protection extends only to matters within the scope of the protection, and the public officer or employee shall comply with the provisions of subsection 1 to the fullest extent possible regarding all matters outside of the scope of the protection.
- 3. Before a public officer or employee is required to comply with the provisions of subsection 1 and during the course of any investigations or proceedings of the Commission or its authorized representative, the public officer or employee is entitled to be represented by and consult with legal counsel, including, without limitation, the legal counsel of his or her public body, agency or employer.
- Sec. 8. [Every sheriff, marshal, police officer or constable shall, upon request of the Commission or its authorized representative, serve process on behalf of and execute all lawful orders of the Commission.] (Deleted by amendment.)
- Sec. 9. 1. In carrying out the provisions of this chapter, the Commission may delegate authority to the Chair or the Executive Director, or both, to make any decisions in litigation concerning any judicial action or proceeding in which the Commission or any member or employee of the Commission is a

party in an official capacity or participates or intervenes in an official capacity.

- 2. During any period in which proceedings concerning a request for an advisory opinion or an ethics complaint are confidential pursuant to this chapter, the provisions of chapter 241 of NRS do not apply to any meeting or hearing held by the Commission or any deliberations or actions of the Commission involving:
- (a) Any decisions in litigation concerning any judicial action or proceeding related to the request for an advisory opinion or the ethics complaint; or
- (b) Any delegation of authority to make such decisions in the litigation to the Chair or the Executive Director, or both, pursuant to subsection 1.
- Sec. 10. [1. Except as otherwise provided in this section, if a public officer or employee has approved, disapproved, voted or otherwise acted upon a matter, the public officer or employee shall not, for a period of I year after the date of such official action upon the matter regardless of whether his or her public service or employment ends during that period, secure or grant any unwarranted privileges, preferences, exemptions or advantages reasonably related to the matter for the private benefit of the public officer or employee, any business entity in which the public officer or employee has a significant pecuniary interest or any person to whom the public officer or employee has a commitment in a private capacity, including, without limitation, securing or granting any gift, service, favor, employment, engagement, emolument or economic opportunity reasonably related to the matter. As used in this subsection, "unwarranted" means without justification or adequate reason.
- 2. The provisions of subsection 1 do not apply where the public officer or employee takes official action upon a matter as set forth in subsection 1 and the resulting benefit accruing to the public officer or employee, any business entity in which the public officer or employee has a significant pecuniary interest or any person to whom the public officer or employee has a commitment in a private capacity is not greater than that accruing to any other member of any general business, profession, occupation or group that is affected by the matter.
- 3. The Commission may relieve a current or former public officer or employee from the strict application of the provisions of subsection 1 if:
- (a) The public officer or employee files a request for an advisory opinion from the Commission pursuant to NRS 281A.675; and
- (b) The Commission determines that such relief is not contrary to:
- (1) The best interests of the public:
- (2) The continued ethical integrity of the State Government or political subdivision, as applicable; and
  - (3) The provisions of this chapter
- 4. For the purposes of subsection 3, the request for an advisory opinion, the decision rendered, the advisory opinion and all meetings, hearings and proceedings of the Commission in such a matter are governed by the

provisions of NRS 281A.670 to 281A.690, inclusive, and section 13 of this act.] (Deleted by amendment.)

- Sec. 11. 1. A public officer or employee shall not use the public officer's or employee's position or power in government to take any actions or compel a subordinate to take any actions that a reasonable person would find, based on the given set of facts and circumstances, to be a gross or unconscionable abuse of official position or power that [undermines the people's faith in] would undermine the integrity or impartiality of [public officers and employees.] a reasonable person in the public officer's or employee's position under the same or similar facts and circumstances.
- 2. The provisions of this section must not be interpreted to apply to any allegations claiming only bias, error or abuse of discretion in any findings, decisions, policy-making or other actions taken by a public officer or employee within the normal course and scope of his or her position or power in government.
- Sec. 11.5. A list of each public officer who is required to file an acknowledgment of the statutory ethical standards in accordance with NRS 281A.500 must be submitted electronically to the Commission, in a form prescribed by the Commission, on or before December 1 of each year by:
- 1. For an appointed public officer, the appointing authority of the public officer, including, without limitation:
- (a) The manager of each local agency for a public officer of a local agency;
- (b) The Director of the Legislative Counsel Bureau for a public officer of the Legislative Department of the State Government; and
- (c) The Director of the Department of Administration, or his or her designee, for a public officer of the Executive Department of the State Government; and
- 2. For an elected public officer of:
- (a) The county and other political subdivisions within the county except cities, the county clerk;
- (b) The city, the city clerk;
- (c) The Legislative Department of the State Government, the Director of the Legislative Counsel Bureau; and
- (d) The Executive Department of the State Government, the Director of the Department of Administration, or his or her designee.
- Sec. 12. [1. In addition to any other penalties provided by law, if a public officer fails to file an acknowledgment of the statutory ethical standards or fails to file an acknowledgment of the statutory ethical standards in a timely manner pursuant to NRS 281A.500, the Commission may, after giving notice to the public officer, cause the appropriate proceedings to be instituted in the Eirst Judicial District Court
- 2. Except as otherwise provided in this section, a public officer who fails to file an acknowledgment of the statutory ethical standards or fails to file as acknowledgment of the statutory ethical standards in a timely manner pursuant to NRS 281A.500 is subject to a civil penalty and payment of cour

costs and attorney's fees. The civil penalty must be recovered in a civil action brought in the name of the State of Nevada by the Commission in the First Judicial District Court and deposited by the Commission for credit to the State General Fund in the bank designated by the State Treasurer.

- 3. The amount of the civil penalty is:
- (a) If the acknowledgment is filed not more than 10 days after the applicable deadline set forth in NRS 281A.500, \$25.
- (b) If the acknowledgment is filed more than 10 days but not more than 20 days after the applicable deadline set forth in NRS 281A.500, \$50.
- (c) If the acknowledgment is filed more than 20 days but not more than 30 days after the applicable deadline set forth in NRS 281A.500, \$100.
- (d) If the acknowledgment is filed more than 30 days but not more than 45 days after the applicable deadline set forth in NRS 281A.500, \$250.
- (e) If the acknowledgment is not filed or is filed more than 45 days after the applicable deadline set forth in NRS 281A.500, \$2,000.
- 1. For good cause shown, the Commission may waive a civil penalty that would otherwise be imposed pursuant to this section. If the Commission waives a civil penalty pursuant to this subsection, the Commission shall create a public record which sets forth that the civil penalty has been waived and describes the circumstances that constitute the good cause shown.] (Deleted by amendment.)
- Sec. 13. [I. Except as otherwise provided in this section, if a current public officer or employee of a state or local agency intends to file a request for an advisory opinion, the official attorney of the state or local agency, as applicable, shall represent the public officer or employee in proceedings concerning the request for an advisory opinion if:
- (a) Within a reasonable period before filing the request for an advisory opinion, as determined by the official attorney, the public officer or employee submits a written request for legal representation to the official attorney; and (b) Based on the given set of facts and circumstances that the public officer or employee intends to submit with the request for an advisory opinion, the official attorney determines that the past, present or future conduct on which the request for an advisory opinion will be based:
- (1) Appears to be within the course and scope of the public duties or employment of the public officer or employee; and
- (2) Appears to have been or will be performed or omitted in good faith.
- 2. The official attorney shall create a written record setting forth the basis for the official attorney's determination of whether to represent the public officer or employee pursuant to paragraph (b) of subsection 1. The written record is not admissible in evidence at trial or in any other judicial or administrative proceedings in which the public officer or employee is a party, except in connection with an application to withdraw as the attorney of record.
  3. The official attorney is not required to represent the public officer or employee pursuant to this section if:

- (a) The public officer or employee employs or retains his or her own legacounsel or represents himself or herself in the matter;
- (b) The official attorney employs or retains special counsel to represent the public officer or employee in the matter; or
- -(c) The official attorney tenders the representation of the public officer or employee to an insurer who, pursuant to a contract of insurance, is authorized to represent the public officer or employee in the matter.
- 1. As used in this section, "official attorney" means:
- (a) The Attorney General, if the proceedings involve a public officer or employee of a state agency that is represented by the Attorney General.
- —(b) The chief legal officer or other authorized legal representative of a state agency that is authorized by a specific statute to employ or retain legal counses other than the Attorney General, if the proceedings involve a public officer or employee of that state agency.
- (c) The chief legal officer or other authorized legal representative of a local agency, if the proceedings involve a public officer or employee of that local agency.] (Deleted by amendment.)
- Sec. 14. Notwithstanding any other provisions of NRS 281A.700 to 281A.790, inclusive:
- 1. If a State Legislator is the subject of an ethics complaint and the Commission determines, at any time during the proceedings concerning the ethics complaint, that any allegations in the ethics complaint involve actions of the Legislator that are not within the jurisdiction or authority of the Commission pursuant to paragraph (d) of subsection 2 of NRS 281A.020 but are within the jurisdiction or authority of the Legislator's own House pursuant to Section 6 of Article 4 of the Nevada Constitution, the Commission may authorize the Executive Director to file a complaint with the House alleging a breach of legislative ethical standards pursuant to the applicable Standing Rules of the Legislative Department of the State Government.
- 2. If the Executive Director files a complaint with the Legislator's own House pursuant to this section:
- (a) The Executive Director shall submit to the House all information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the allegations in the complaint filed with the House; and
- (b) The complaint filed with the House and all information, communications, records, documents or other materials that are related to the allegations in the complaint filed with the House are confidential and are not public records pursuant to chapter 239 of NRS, unless those materials become publicly available in a manner authorized by the applicable Standing Rules of the Legislative Department of the State Government.
  - Sec. 15. NRS 281A.030 is hereby amended to read as follows:
- 281A.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 281A.032 to 281A.170, inclusive, *and*

sections 2 to 5, inclusive, of this act have the meanings ascribed to them in those sections.

- Sec. 16. NRS 281A.032 is hereby amended to read as follows:
- 281A.032 "Adjudicatory hearing" means a hearing held by the Commission pursuant to NRS 281A.745 to receive evidence *and render a decision* concerning an ethics complaint. [and render an opinion in the matter.]
  - Sec. 17. NRS 281A.033 is hereby amended to read as follows:
- 281A.033 "Advisory opinion" means an advisory opinion [rendered] issued by the Commission pursuant to NRS 281A.670 to 281A.690, inclusive [r. and section 13 of this act.]
  - Sec. 18. NRS 281A.065 is hereby amended to read as follows:
- 281A.065 "Commitment in a private capacity "[," with respect to the interests of another person,] means a <u>private</u> commitment, interest or relationship of a public officer or employee to : [a person:]
- 1. [Who is the] <u>The</u> spouse or domestic partner of the public officer or employee;
- 2. [Who is a] <u>A</u> member of the household of the public officer or employee;
- 3. [Who is related to] <u>A relative of</u> the public officer or employee, or [to] the spouse or domestic partner of the public officer or employee, by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity;
- 4. [Who employes] <u>The employer of</u> the public officer or employee, the spouse or domestic partner of the public officer or employee or a member of the household of the public officer or employee;
- 5. [With] <u>A person with</u> whom the public officer or employee has a substantial and continuing business relationship; <u>or</u>
- 6. [For whom the public officer or employee serves in a private capacity as an officer or as a member of the board of directors or in a similar fiduciary capacity;
- -7. For whom the public officer or employee serves in a private capacity as
- (a) For a substantial amount of his or her personal time; or
- —(b) On a regular or recurring basis, regardless of the amount of his or her personal time that is devoted to such service; or
- —<u>S. With] A person with</u> whom the public officer or employee has any other <u>private</u> commitment, interest or relationship that is substantially similar to a <u>private</u> commitment, interest or relationship described in subsections 1 to <u>5</u>. <del>[7.1]</del> inclusive.
  - Sec. 19. NRS 281A.088 is hereby amended to read as follows:
- 281A.088 "Ethics complaint" means [a request for an opinion] an ethics complaint which is filed with the Commission or initiated by the Commission on its own motion pursuant to NRS 281A.710 regarding the propriety of the conduct of a public officer or employee under the statutory ethical standards. [set forth in this chapter.]

- Sec. 20. NRS 281A.135 is hereby amended to read as follows:
- 281A.135 1. "Opinion" means an opinion [rendered] issued by the Commission in accordance with the provisions of this chapter.
- 2. The term includes, without limitation, the disposition of an ethics complaint by stipulation, agreed settlement, consent order or default as authorized by NRS 233B.121.
  - Sec. 21. NRS 281A.161 is hereby amended to read as follows:
- 281A.161 "Request for an advisory opinion" means a request for an advisory opinion which is filed with the Commission pursuant to NRS 281A.675 . [by a public officer or employee who is:
- 1. Seeking guidance on matters which directly relate to the propriety of his or her own past, present or future conduct as a public officer or employee under the statutory ethical standards set forth in this chapter; or
- 2. Requesting relief pursuant to NRS 281A.410, 281A.430 or 281A.550.] Sec. 22. NRS 281A.170 is hereby amended to read as follows:
- 281A.170 ["Willful violation"] "Violation" means a violation where the public officer or employee:
  - 1. Acted intentionally and knowingly; or
- 2. Was in a situation where this chapter imposed a duty to act and the public officer or employee intentionally and knowingly failed to act in the manner required by this chapter . {-,
- → unless the Commission determines, after applying the factors set forth in NRS 281A.775, that the public officer's or employee's act or failure to act has not resulted in a sanctionable violation of this chapter.]
  - Sec. 23. NRS 281A.210 is hereby amended to read as follows:
  - 281A.210 1. The Commission shall [:
- $\frac{\text{(a) At}}{\text{(b)}}$ , at its first meeting and annually thereafter, elect a Chair and Vice Chair from among its members.

## [(b) Meet]

- 2. If the Chair is prohibited from acting on a particular matter or is otherwise unable to act on a particular matter, the Vice Chair shall exercise the powers and functions and perform the duties of the Chair concerning that particular matter. If the Chair and Vice Chair are prohibited from acting on a particular matter or are otherwise unable to act on a particular matter, another member of the Commission who is designated in accordance with the regulations of the Commission shall exercise the powers and functions and perform the duties of the Chair concerning that particular matter.
- 3. The Commission shall meet regularly at least once in each calendar quarter, unless there are no ethics complaints or requests for advisory opinions pursuant to this chapter, and at other times upon the call of the Chair.
- [2.] 4. Members of the Commission are entitled to receive a salary of not more than \$80 per day, as fixed by the Commission, while engaged in the business of the Commission.

- [3.] 5. While engaged in the business of the Commission, each member and employee of the Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- [4.] 6. The Commission may, within the limits of legislative appropriation, maintain such facilities as are required to carry out its functions.
  - Sec. 24. NRS 281A.220 is hereby amended to read as follows:
- 281A.220 1. The Chair shall appoint one or more review panels of three members of the Commission on a rotating basis to perform the functions assigned to such review panels pursuant to this chapter.
- 2. The Chair and Vice Chair of the Commission may not serve together on a review panel.
- 3. Not more than two members of a review panel may be members of the same political party.
- 4. If a review panel determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in a matter, the members of the review panel shall not participate in any further proceedings of the Commission relating to that matter  $\{...\}$ , except that:
- (a) One or more members of the review panel may, with the consent of the parties, participate as mediators or facilitators in any settlement negotiations between the parties that are conducted before an adjudicatory hearing in the matter.
- (b) The members of the review panel may authorize the development of or approve a deferral agreement pursuant to NRS 281A.730.
  - Sec. 25. NRS 281A.230 is hereby amended to read as follows:
- 281A.230 1. The Commission shall appoint, within the limits of legislative appropriation, an Executive Director who shall perform the duties set forth in this chapter and such other duties as may be prescribed by the Commission.
- 2. The Executive Director must be an attorney who is licensed to practice law in this State and must have experience in administration, investigations and law.
  - 3. The Executive Director is in the unclassified service of the State.
- 4. The Executive Director shall devote the Executive Director's entire time and attention to the business of the Commission and shall not pursue any other business or occupation or hold any other office of profit that detracts from the full and timely performance of the Executive Director's duties.
  - 5. The Executive Director may not:
- (a) Be actively involved in the work of any political party or political campaign; or
- (b) Except in pursuit of the business of the Commission, communicate directly or indirectly with a State Legislator or a member of a local legislative body on behalf of someone other than the Executive Director to influence:
- (1) The State Legislator with regard to introducing or voting upon any matter or taking other legislative action; or

- (2) The member of the local legislative body with regard to introducing or voting upon any ordinance or resolution, taking other legislative action or voting upon:
  - (I) The appropriation of public money;
  - (II) The issuance of a license or permit; or
- $\left( \text{III} \right) \,$  Any proposed subdivision of land or special exception or variance from zoning regulations.
  - Sec. 26. NRS 281A.240 is hereby amended to read as follows:
- 281A.240 1. In addition to any other duties imposed upon the Executive Director, the Executive Director shall:
- (a) Maintain complete and accurate records of all transactions and proceedings of the Commission.
- (b) Receive ethics complaints and requests for advisory opinions pursuant to this chapter.
- (c) Gather information and conduct investigations regarding ethics complaints and requests for advisory opinions pursuant to this chapter.
- (d) [Submit] Present recommendations to the review panel regarding whether there is just and sufficient cause for the Commission to render a decision and issue an opinion in a matter.
- (e) Recommend to the Commission any regulations or legislation that the Executive Director considers desirable or necessary to improve the operation of the Commission and maintain high standards of ethical conduct in government.
- (f) Upon the request of any public officer or the employer of a public employee, conduct training on the requirements of this chapter, the rules and regulations adopted by the Commission and [previous] the published opinions of the Commission. In any such training, the Executive Director shall emphasize that the Executive Director is not a member of the Commission and that only the Commission may issue opinions concerning the application of the statutory ethical standards to any given set of facts and circumstances. The Commission may charge a reasonable fee to cover the costs of training provided by the Executive Director pursuant to this subsection.
- (g) Perform such other duties, not inconsistent with law, as may be required by the Commission.
- 2. The Executive Director shall, within the limits of legislative appropriation, employ such persons as are necessary to carry out any of the Executive Director's duties relating to:
  - (a) The administration of the affairs of the Commission; and
  - (b) The investigation of matters under the jurisdiction of the Commission.
- 3. If the Executive Director is prohibited from acting on a particular matter or is otherwise unable to act on a particular matter, the Chair [of the Commission] shall designate a qualified person to perform the duties of the Executive Director with regard to that particular matter.

- Sec. 27. NRS 281A.260 is hereby amended to read as follows:
- 281A.260 1. The Commission Counsel is the legal adviser to the Commission. For each *written* opinion of the Commission, the Commission Counsel shall prepare, at the direction of the Commission [+] or as required pursuant to this chapter, the appropriate findings of fact and conclusions as to the relevant statutory ethical standards and the propriety of particular conduct. The Commission Counsel shall not issue written opinions concerning the applicability of the statutory ethical standards to a given set of facts and circumstances except as directed by the Commission.
- 2. The Commission may rely upon the legal advice of the Commission Counsel in conducting its daily operations.
- 3. Except as otherwise provided in this section or directed by the Commission, in litigation concerning any judicial action or proceeding in which the Commission or any member or employee of the Commission is a party in an official capacity or participates or intervenes in an official capacity, the Commission Counsel:
- (a) Shall represent and act as legal counsel to the Commission or any member or employee of the Commission in the action or proceeding;
- (b) May commence, prosecute, defend, participate or intervene in the action or proceeding on behalf of the Commission or any member or employee of the Commission; and
- (c) May file an appeal or petition for or seek any writ or other appellate relief in the action or proceeding on behalf of the Commission or any member or employee of the Commission with the consent or ratification of:
  - (1) The Commission; or
- (2) The Chair or the Executive Director, or both, if the authority to provide such consent or ratification is delegated pursuant to section 9 of this act.
- 4. The provisions of subsection 3 do not apply to litigation concerning any judicial action or proceeding in which the Commission:
- (a) Requests that the Attorney General appoint a deputy to act in the place of the Commission Counsel; or
  - (b) Employs outside legal counsel.
- 5. If the Commission Counsel is prohibited from acting on a particular matter or is otherwise unable to act on a particular matter, the Commission may:
- (a) Request that the Attorney General appoint a deputy to act in the place of the Commission Counsel; or
  - (b) Employ outside legal counsel.
  - Sec. 28. NRS 281A.280 is hereby amended to read as follows:
- 281A.280 1. Except as otherwise provided in this section, the Commission has jurisdiction to [investigate]:
- (a) Gather information and issue an advisory opinion in any proceeding commenced by a request for an advisory opinion that is filed with the Commission, except that the Commission does not have jurisdiction to issue

an advisory opinion on matters which directly relate to the propriety of past conduct occurring more than 2 years before the date on which the request for an advisory opinion is filed with the Commission.

- (b) Investigate and take appropriate action regarding an alleged violation of this chapter by a [public officer or employee] current or former public officer or employee in any proceeding commenced by an ethics complaint, which is filed with the Commission or initiated by the Commission on its own motion, within 2 years after the alleged violation or reasonable discovery of the alleged violation.
- (c) Investigate and take appropriate action regarding an alleged violation of subsection 3 of NRS 281A.790 by a current or former public officer or employee or any other person in any proceeding commenced by a written notice of the charges, which is initiated by the Commission on its own motion, within 2 years after the alleged violation or reasonable discovery of the alleged violation.
- 2. The Commission does not have jurisdiction regarding alleged conduct by a [public officer or employee] *current* or former public officer or employee for which:
- (a) A complaint may be filed or, if the applicable limitations period has expired, could have been filed with the United States Equal Employment Opportunity Commission or the Nevada Equal Rights Commission; or
- (b) A complaint or employment-related grievance may be filed or, if the applicable limitations period has expired, could have been filed with another appropriate agency with jurisdiction to redress alleged discrimination or harassment, including, without limitation, a state or local employee-management relations board or similar state or local agency,
- → but any bar on the Commission's jurisdiction imposed by this subsection applies only to the extent that it pertains to the alleged discrimination or harassment, and this subsection does not deprive the Commission of jurisdiction regarding the alleged conduct if such conduct is sanctionable separately or concurrently under the provisions of this chapter, irrespective of the alleged discrimination or harassment.
- 3. For the purposes of this section, a proceeding is commenced  $\{\cdot\}$  by an ethics complaint:
- (a) On the date on which [an] the ethics complaint is filed in the proper form with the Commission in accordance with the regulations of the Commission; or
- (b) If the ethics complaint is initiated by the Commission on its own motion, on the date on which the Commission serves the [public officer or employee] current or former public officer or employee with a written notice of the investigation of the ethics complaint in accordance with the regulations of the Commission.
  - Sec. 29. NRS 281A.290 is hereby amended to read as follows:
  - 281A.290 The Commission shall:

- 1. Adopt procedural regulations that are necessary and proper to carry out the provisions of this chapter, including, without limitation:
  - (a) To facilitate the receipt of inquiries by the Commission;
- (b) For the filing of an ethics complaint or a request for an advisory opinion with the Commission:
- (c) For the withdrawal of an ethics complaint or a request for an advisory opinion by the person who filed the ethics complaint or request;
- (d) To facilitate the prompt rendition of decisions and the issuance of opinions by the Commission; and
- (e) For proceedings concerning an ethics complaint, to facilitate written discovery requests submitted pursuant to NRS 281A.750 and 281A.755 and the disclosure of evidence in the manner required by those sections, including, without limitation, the disclosure of evidence obtained by or on behalf of the Executive Director during the course of the investigation that affirmatively and substantively disproves any alleged violation of this chapter that is related to the ethics complaint and has been referred to the Commission for an adjudicatory hearing.
- 2. Prescribe, by regulation, forms and procedures for the submission of [statements of acknowledgment] acknowledgments of the statutory ethical standards filed by public officers pursuant to NRS 281A.500, maintain files of such [statements] acknowledgments and make the [statements] acknowledgments available for public inspection.
- 3. Cause the making of such investigations as are reasonable and necessary for the rendition *of decisions and the issuance* of [its] opinions pursuant to this chapter.
- 4. Inform the Attorney General or district attorney of all cases of noncompliance with the requirements of this chapter.
- 5. Recommend to the Legislature such further legislation as the Commission considers desirable or necessary to promote and maintain high standards of ethical conduct in government.
- 6. Publish a manual for the use of public officers and employees that explains the requirements of this chapter.
- [ The Legislative Counsel shall prepare annotations to this chapter for inclusion in the Nevada Revised Statutes based on the published opinions of the Commission.]
  - Sec. 30. NRS 281A.300 is hereby amended to read as follows:
- 281A.300 1. The Chair [and Vice Chair] or a member of the Commission appointed by the Chair to preside over any meetings, hearings and proceedings may administer oaths.
- 2. The Commission, upon majority vote, may issue a subpoena to compel the attendance of a witness and the production of any books and papers for any hearing before the Commission.
- 3. Upon the request of the Executive Director, the Chair [or, in the Chair's absence, the Vice Chair,] may issue a subpoena to compel the participation of

a potential witness and the production of any books and papers during the course of any investigation.

- 4. Upon the request of the Executive Director or the public officer or employee who is the subject of an ethics complaint, the Chair [or, in the Chair's absence, the Vice Chair,] may issue a subpoena to compel the attendance of a witness and the production of any books and papers for any hearing before the Commission. A public officer or employee who requests the issuance of a subpoena pursuant to this subsection must serve the subpoena in the manner provided in the Nevada Rules of Civil Procedure for service of subpoenas in a civil action and must pay the costs of such service.
- 5. Before [issuing] the Chair issues a subpoena directed to [a] the public officer or employee who is the subject of an ethics complaint to compel his or her participation in any investigation, his or her attendance as a witness or his or her production of any books and papers, the Executive Director shall submit a written request to the public officer or employee requesting:
- (a) The voluntary participation of the public officer or employee in the investigation;
- (b) The voluntary attendance of the public officer or employee as a witness; or
- (c) The voluntary production by the public officer or employee of any books and papers relating to the ethics complaint.
- 6. Each written request submitted by the Executive Director pursuant to subsection 5 must specify the time and place for the voluntary participation of the public officer or employee in the investigation, attendance of the public officer or employee as a witness or production of any books and papers, and designate with certainty the books and papers requested, if any.
- 7. If the public officer or employee fails or refuses to respond to the Executive Director's written request pursuant to subsection 5 to voluntarily participate or attend at the time and place specified or produce the books and papers requested by the Executive Director within 5 business days after receipt of the written request, the Chair [or, in the Chair's absence, the Vice Chair,] may issue the subpoena. Failure of the public officer or employee to comply with the written request of the Executive Director shall be deemed a waiver by the public officer or employee of the time limits set forth in NRS 281A.700 to 281A.790, inclusive, and section 14 of this act that apply to proceedings concerning the ethics complaint.
- 8. If any witness fails or refuses to participate, attend, testify or produce any books and papers as required by the subpoena, the Chair [or, in the Chair's absence, the Vice Chair,] may report to the district court by petition, setting forth that:
- (a) Due notice has been given of the time and place of the participation or attendance of the witness or the production of the books and papers;
  - (b) The witness has been subpoenaed pursuant to this section; and

- (c) The witness has failed or refused to participate, attend, testify or produce the books and papers as required by the subpoena, or has failed or refused to answer questions propounded to the witness,
- → and asking for an order of the court compelling the witness to participate, attend, testify or produce the books and papers as required by the subpoena.
- 9. Upon such a petition, the court shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days after the date of the order, and then and there show cause why the witness has not participated, attended, testified or produced the books or papers as required by the subpoena. A certified copy of the order must be served upon the witness.
- 10. If [it appears to], at the hearing to show cause, the court finds that the subpoena was regularly issued pursuant to this section [,] and that the witness has not proven a reason recognized by law for the failure to comply with its provisions, the court shall enter an order that the witness comply with the subpoena, at the time and place fixed in the order, and participate, attend, testify or produce the required books and papers. Upon failure to obey the order, the witness must be dealt with as for contempt of court.
  - Sec. 31. NRS 281A.350 is hereby amended to read as follows:
- 281A.350 1. Any state agency or the governing body of a county or an incorporated city may establish a specialized or local ethics committee to complement the functions of the Commission. A specialized or local ethics committee may:
- (a) Establish a code of ethical standards suitable for the particular ethical problems encountered in its sphere of activity. The standards may not be less restrictive than the statutory ethical standards.
- (b) Render a decision and issue an opinion upon the request of any public officer or employee of its own organization or level seeking an interpretation of its code of ethical standards on questions directly related to the propriety of the public officer's or employee's own future official conduct [or], but the committee may refer the request to the Commission [...] if the response to the request requires the Commission to interpret the statutory ethical standards and apply those standards to the given set of facts and circumstances. If the request is referred to the Commission, it shall be deemed to be a request for an advisory opinion filed by the public officer or employee with the Commission pursuant to NRS 281A.675. Any public officer or employee subject to the jurisdiction of the committee shall direct the public officer's or employee's [inquiry] request to that committee first instead of the Commission.
- (c) Require the filing of financial disclosure statements by public officers on forms prescribed by the committee or the city clerk if the form has been:
- (1) Submitted, at least 60 days before its anticipated distribution, to the Secretary of State for review; and
- (2) Upon review, approved by the Secretary of State. The Secretary of State shall not approve the form unless the form contains all the information

required to be included in a financial disclosure statement pursuant to NRS 281.571.

- 2. The Secretary of State is not responsible for the costs of producing or distributing a form for filing a financial disclosure statement pursuant to the provisions of subsection 1.
- 3. A specialized or local ethics committee shall not attempt to interpret *the statutory ethical standards* or render *a decision and issue* an opinion regarding the statutory ethical standards.
- 4. Each request for an opinion submitted by a public officer or employee to a specialized or local ethics committee, each hearing held by the committee to obtain information on which to [base] render a decision and issue an opinion, all deliberations by the committee relating to [an] the decision and opinion, each [opinion] decision rendered and opinion issued by [a] the committee and any motion relating to the decision and opinion are confidential unless:
- (a) The [public officer or employee] requester acts in contravention of the decision or opinion; or
  - (b) The requester discloses the [contents of the decision or opinion.
  - Sec. 32. NRS 281A.400 is hereby amended to read as follows:
- 281A.400 [A code of ethical standards is hereby established to govern the conduct of public officers and employees:]
- 1. A public officer or employee shall not seek or accept any gift, service, favor, employment, engagement, emolument or economic opportunity, for the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity, which would tend improperly to influence a reasonable person in the public officer's or employee's position to depart from the faithful and impartial discharge of the public officer's or employee's public duties.
- 2. A public officer or employee shall not use the public officer's or employee's position in government to secure or grant *any* unwarranted privileges, preferences, exemptions or advantages for the public officer or employee, any business entity in which the public officer or employee has a significant pecuniary interest or any person to whom the public officer or employee has a commitment in a private capacity. As used in this subsection, "unwarranted" means without justification or adequate reason.
- 3. A public officer or employee shall not participate as an agent of government in the negotiation or execution of a contract between the government and the public officer or employee, any business entity in which the public officer or employee has a significant pecuniary interest or any person to whom the public officer or employee has a commitment in a private capacity.
- 4. A public officer or employee shall not accept any salary, retainer, augmentation, expense allowance or other compensation from any private source, for the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity, for the

performance of the public officer's or employee's duties as a public officer or employee.

- 5. If a public officer or employee acquires, through the public officer's or employee's public duties or relationships, any information which by law or practice is not at the time available to people generally, the public officer or employee shall not use the information to further a significant pecuniary interest of the public officer or employee or any other person or business entity.
- 6. A public officer or employee shall not suppress any governmental report or other official document because it might tend to affect unfavorably a significant pecuniary interest of the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity.
- 7. Except for State Legislators who are subject to the restrictions set forth in subsection 8, a public officer or employee shall not use governmental time, property, equipment or other facility to benefit a significant <u>personal or</u> pecuniary interest *for a nonpecuniary personal interest]* of the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity. This subsection does not prohibit:
- (a) A limited use of governmental property, equipment or other facility for personal purposes if:
  - (1) [The] At the time that the use occurs, the use is:
- (I) Authorized by a written policy which was adopted before the use occurs by the public officer or employee who is responsible for and has authority to authorize the use of such property, equipment or other facility [has established a policy allowing the use or the use is necessary]; or
- (II) Necessary as a result of emergency circumstances  $[\cdot; \cdot]$ , whether or not the use is authorized by such a written policy;
- (2) The use does not interfere with the performance of the public officer's or employee's public duties;
  - (3) The cost or value related to the use is nominal; and
  - (4) The use does not create the appearance of impropriety;
- (b) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or
- (c) The use of telephones or other means of communication if there is not a special charge for that use.
- → If a governmental agency incurs a cost as a result of a use that is authorized pursuant to this subsection or would ordinarily charge a member of the general public for the use, the public officer or employee shall promptly reimburse the cost or pay the charge to the governmental agency.
  - 8. A State Legislator shall not:
- (a) Use governmental time, property, equipment or other facility [for a nongovernmental purpose or for the private] to benefit a significant personal or pecuniary interest for a nonpecuniary personal interest] of the State

Legislator or any [other] person [.] to whom the State Legislator has a commitment in a private capacity. This paragraph does not prohibit:

- (1) A limited use of [state] governmental property [and resources], equipment or other facility for personal purposes if:
- (I) The use does not interfere with the performance of the State Legislator's public duties;
  - (II) The cost or value related to the use is nominal; and
  - (III) The use does not create the appearance of impropriety;
- (2) The use of mailing lists, computer data or other information lawfully obtained from a governmental agency which is available to members of the general public for nongovernmental purposes; or
- (3) The use of telephones or other means of communication if there is not a special charge for that use.
- (b) Require or authorize a legislative employee, while on duty, to perform personal services or assist in a private activity, except:
- (1) In unusual and infrequent situations where the *legislative* employee's service is reasonably necessary to permit the State Legislator or legislative employee to perform that person's official duties; or
- (2) Where such service has otherwise been established as legislative policy.
- 9. A public officer or employee shall not attempt to benefit a significant personal or pecuniary interest *[or a nonpecuniary personal interest]* of the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity through the influence of a subordinate.
- 10. A public officer or employee shall not seek other employment or contracts for the public officer or employee or any person to whom the public officer or employee has a commitment in a private capacity through the use of the public officer's or employee's official position.
- 11. As used in this section, "appearance of impropriety" means a perception by a reasonable person that, based on the given set of facts and circumstances, a public officer's or employee's limited use of governmental property, equipment or other facility for personal purposes is inappropriate, disproportionate, excessive or unreasonable under that given set of facts and circumstances.
  - Sec. 33. NRS 281A.410 is hereby amended to read as follows:
- 281A.410 [In addition to the requirements of the code of ethical standards and the other provisions of this chapter:]
- 1. If a public officer or employee serves in a state agency of the Executive Department or an agency of any county, city or other political subdivision, the public officer or employee:
- (a) Shall not accept compensation from any private person to represent or counsel the private person on any issue pending before the agency in which that public officer or employee serves, if the agency makes decisions; and

- (b) If the public officer or employee leaves the service of the agency, shall not, for 1 year after leaving the service of the agency, represent or counsel for compensation a private person upon any issue which was under consideration by the agency during the public officer's or employee's service. As used in this paragraph, "issue" includes a case, proceeding, application, contract or determination, but does not include the proposal or consideration of legislative measures or administrative regulations.
- 2. Except as otherwise provided in subsection 3, a State Legislator or a member of a local legislative body, or a public officer or employee whose public service requires less than half of his or her time, may represent or counsel a private person before an agency in which he or she does not serve.
- 3. A member of a local legislative body shall not represent or counsel a private person for compensation before another local agency if the territorial jurisdiction of the other local agency includes any part of the county in which the member serves. The Commission may relieve the member from the strict application of the provisions of this subsection if:
- (a) The member files a request for an advisory opinion from the Commission pursuant to NRS 281A.675; and
  - (b) The Commission determines that such relief is not contrary to:
    - (1) The best interests of the public;
- (2) The continued ethical integrity of each local agency affected by the matter; and
  - (3) The provisions of this chapter.
- 4. For the purposes of subsection 3, the request for an advisory opinion, *the decision rendered*, the advisory opinion and all meetings, hearings and proceedings of the Commission in such a matter are governed by the provisions of NRS 281A.670 to 281A.690, inclusive <u>t</u>, and section 13 of this act.]
- 5. Unless permitted by this section, a public officer or employee shall not represent or counsel a private person for compensation before any state agency of the Executive or Legislative Department.
  - Sec. 34. NRS 281A.420 is hereby amended to read as follows:
- 281A.420 1. Except as otherwise provided in this section, a public officer or employee shall not approve, disapprove, vote, abstain from voting or otherwise act upon a matter:
- (a) Regarding which the public officer or employee has accepted a gift or loan;
- (b) In which the public officer or employee has a significant pecuniary interest;
- (c) Which would reasonably be affected by the public officer's or employee's commitment in a private capacity to the interests of another person; or
- (d) Which would reasonably be related to the nature of any representation or counseling that the public officer or employee provided to a private person for compensation before another agency within the immediately preceding

year, provided such representation or counseling is permitted by NRS 281A.410.

- → without disclosing information concerning the gift or loan, the significant pecuniary interest, the commitment in a private capacity to the interests of the other person or the nature of the representation or counseling of the private person that is sufficient to inform the public of the potential effect of the action or abstention upon the person who provided the gift or loan, upon the public officer's or employee's significant pecuniary interest, upon the person to whom the public officer or employee has a commitment in a private capacity or upon the private person who was represented or counseled by the public officer or employee. Such a disclosure must be made at the time the matter is considered. If the public officer or employee is a member of a body which makes decisions, the public officer or employee shall make the disclosure in public to the chair and other members of the body. If the public officer or employee is not a member of such a body and holds an appointive office, the public officer or employee shall make the disclosure to the supervisory head of the public officer's or employee's organization or, if the public officer holds an elective office, to the general public in the area from which the public officer is elected.
  - 2. The provisions of subsection 1 do not require [a]:
  - (a) A public officer to disclose:
- $\frac{\{(a)\}}{\{(a)\}}$  (1) Any campaign contributions that the public officer reported in a timely manner pursuant to NRS 294A.120 or 294A.125; or
- [(b)] (2) Any contributions to a legal defense fund that the public officer reported in a timely manner pursuant to NRS 294A.286.
- (b) A public officer or employee to disclose any information which is confidential as a result of a bona fide relationship that protects the confidentiality of the information under the terms of a contract or as a matter of law, including, without limitation, the attorney-client relationship, if the public officer or employee:
- (1) In the disclosure made pursuant to subsection 1, discloses all nonconfidential information that is required to be disclosed and describes the general nature of the relationship that protects the confidential information from being disclosed; and
- (2) Abstains from advocating the passage or failure of and from approving, disapproving, voting or otherwise acting upon the matter, regardless of whether the public officer or employee would be required to abstain pursuant to subsection 3.
- 3. Except as otherwise provided in this section, in addition to the requirements of subsection 1, a public officer shall not vote upon or advocate the passage or failure of, but may otherwise participate in the consideration of, a matter with respect to which the independence of judgment of a reasonable person in the public officer's situation would be materially affected by:
  - (a) The public officer's acceptance of a gift or loan;
  - (b) The public officer's significant pecuniary interest; [or]

- (c) The public officer's commitment in a private capacity to the interests of another person  $\{\cdot,\cdot\}$ ; or
- (d) The public officer's representation or counseling of a private person for compensation before another agency within the immediately preceding year, provided such representation or counseling is permitted by NRS 281A.410.
  - 4. In interpreting and applying the provisions of subsection 3:
- (a) It must be presumed that the independence of judgment of a reasonable person in the public officer's situation would not be materially affected by the public officer's acceptance of a gift or loan, significant pecuniary interest, [or] commitment in a private capacity to the interests of another person or representation or counseling of a private person for compensation as permitted by NRS 281A.410 where the resulting benefit or detriment accruing to the public officer, or if the public officer has a commitment in a private capacity to the interests of another person [], or has represented or counseled a private person for compensation as permitted by NRS 281A.410, accruing to the other person, is not greater than that accruing to any other member of any general business, profession, occupation or group that is affected by the matter. The presumption set forth in this paragraph does not affect the applicability of the requirements set forth in subsection 1 relating to the duty of the public officer to make a proper disclosure at the time the matter is considered and in the manner required by subsection 1.
- (b) The Commission must give appropriate weight and proper deference to the public policy of this State which favors the right of a public officer to perform the duties for which the public officer was elected or appointed and to vote or otherwise act upon a matter, provided the public officer makes a proper disclosure at the time the matter is considered and in the manner required by subsection 1. Because abstention by a public officer disrupts the normal course of representative government and deprives the public and the public officer's constituents of a voice in governmental affairs, the provisions of this section are intended to require abstention only in clear cases where the independence of judgment of a reasonable person in the public officer's situation would be materially affected by the public officer's acceptance of a gift or loan, significant pecuniary interest, [or] commitment in a private capacity to the interests of another person [-] or representation or counseling of a private person for compensation as permitted by NRS 281A.410.
- 5. Except as otherwise provided in NRS 241.0355, if a public officer declares to the body or committee in which the vote is to be taken that the public officer will abstain from voting because of the requirements of this section, the necessary quorum to act upon and the number of votes necessary to act upon the matter, as fixed by any statute, ordinance or rule, is reduced as though the member abstaining were not a member of the body or committee.
  - 6. The provisions of this section do not, under any circumstances:
- (a) Prohibit a member of a local legislative body from requesting or introducing a legislative measure; or

- (b) Require a member of a local legislative body to take any particular action before or while requesting or introducing a legislative measure.
- 7. The provisions of this section do not, under any circumstances, apply to State Legislators or allow the Commission to exercise jurisdiction or authority over State Legislators. The responsibility of a State Legislator to make disclosures concerning [gifts, loans, interests or commitments] a matter and the responsibility of a State Legislator to abstain from voting upon or advocating the passage or failure of a matter are governed by the Standing Rules of the Legislative Department of the State Government which are adopted, administered and enforced exclusively by the appropriate bodies of the Legislative Department of the State Government pursuant to Section 6 of Article 4 of the Nevada Constitution.
- 8. As used in this section, "public officer" and "public employee" do not include a State Legislator.
  - Sec. 35. NRS 281A.430 is hereby amended to read as follows:
- 281A.430 1. [Except] Notwithstanding the provisions of NRS 281.221 and 281.230, and except as otherwise provided in this section and NRS 218A.970 and 332.800, a public officer or employee shall not, directly or through a third party, perform any existing contract, negotiate, bid on or enter into [a] any contract or modify or renew any contract if:
- (a) The contract is between an agency [and any] in which the public officer or employee serves and:
  - (1) The public officer or employee; or
- (2) Any business entity in which the public officer or employee has a significant pecuniary interest  $\{\cdot,\cdot\}$ ; or
- (b) The contract is between an agency that has any connection, relation or affiliation with an agency in which the public officer or employee serves and:
  - (1) The public officer or employee; or
- (2) Any business entity in which the public officer or employee has a significant pecuniary interest.
- 2. [A member of any board, commission or similar body who is engaged in the profession, occupation or business regulated by such board, commission or body may, in the ordinary course of his or her business, bid on or enter into a contract with an agency, except the board, commission or body on which he or she is a member, if the member has not taken part in developing the contract plans or specifications and the member will not be personally involved in opening, considering or accepting offers.] Except as otherwise provided in subsections 3 to 6, inclusive, a public officer or employee may perform an existing contract, negotiate, bid on or enter into a contract or modify or renew a contract with an agency in which the public officer or employee serves, or a related agency as described in paragraph (b) of subsection 1, if:
- (a) The contract is subject to competitive selection and, at the time the contract is negotiated, bid on, entered into, modified or renewed:

- (1) The contracting process is controlled by the rules of open competitive bidding or the rules of open competitive bidding are not used as a result of the applicability of NRS 332.112 or 332.148;
- (2) The sources of supply are limited or no other person expresses an interest in the contract;
- (3) The public officer or employee has not taken part in developing the contract plans or specifications; and
- (4) The public officer or employee is not personally involved in opening, considering or accepting offers.
- (b) The contract, by its nature, is not adapted to be awarded by competitive selection and, at the time the contract is negotiated, bid on, entered into, modified or renewed:
- (1) The public officer or employee has not taken part in developing the contract plans or specifications and is not personally involved in opening, considering or accepting offers; and
- (2) The contract is not exclusive to the public officer or employee and is the type of contract that is available to all persons with the requisite qualifications.
- 3. A full- or part-time faculty member or employee of the Nevada System of Higher Education may *perform an existing contract, negotiate*, bid on or enter into a contract *or modify or renew a contract* with an agency, or may benefit financially or otherwise from a contract between an agency and a private entity, if the contract complies with the policies established by the Board of Regents of the University of Nevada pursuant to NRS 396.255.
- 4. [Except as otherwise provided in subsection 2, 3 or 5, a public officer or employee may bid on or enter into a contract with an agency if:
- (a) The contracting process is controlled by the rules of open competitive bidding or the rules of open competitive bidding are not employed as a result of the applicability of NRS 332.112 or 332.148;
- —(b) The sources of supply are limited;
- (c) The public officer or employee has not taken part in developing the contract plans or specifications; and
- (d) The public officer or employee will not be personally involved in opening, considering or accepting offers.
- If a public officer who is authorized to *perform an existing contract*, *negotiate*, bid on or enter into a contract *or modify or renew a contract* with an agency pursuant to this [subsection] section is a member of the governing body of the agency, the public officer, pursuant to the requirements of NRS 281A.420, shall disclose the public officer's interest in the contract and shall not vote on or advocate the approval of the contract.
- 5. A member of a local legislative body shall not, either individually or through any business entity in which the member has a significant pecuniary interest, sell goods or services to the local agency governed by his or her local legislative body unless:

- (a) The member, or the business entity in which the member has a significant pecuniary interest, offers the sole source of supply of the goods or services within the territorial jurisdiction of the local agency governed by his or her local legislative body;
- (b) The local legislative body includes in the public notice and agenda for the meeting at which it will consider the purchase of such goods or services a clear and conspicuous statement that it is considering purchasing such goods or services from one of its members, or from a business entity in which the member has a significant pecuniary interest;
- (c) At the meeting, the member discloses his or her significant pecuniary interest in the purchase of such goods or services and does not vote upon or advocate the approval of the matter pursuant to the requirements of NRS 281A.420; and
- (d) The local legislative body approves the purchase of such goods or services in accordance with all other applicable provisions of law.
- 6. The Commission may relieve a public officer or employee from the strict application of the provisions of this section if:
- (a) The public officer or employee files a request for an advisory opinion from the Commission pursuant to NRS 281A.675; and
  - (b) The Commission determines that such relief is not contrary to:
    - (1) The best interests of the public;
- (2) The continued ethical integrity of each agency affected by the matter; and
  - (3) The provisions of this chapter.
- 7. For the purposes of subsection 6, the request for an advisory opinion, the decision rendered, the advisory opinion and all meetings, hearings and proceedings of the Commission in such a matter are governed by the provisions of NRS 281A.670 to 281A.690, inclusive <u>l</u>, and section 13 of this act.]
  - Sec. 36. NRS 281A.500 is hereby amended to read as follows:
- 281A.500 1. On or before the date on which a public officer swears or affirms the oath of office, the public officer must be informed of the statutory ethical standards and the duty to file an acknowledgment of the statutory ethical standards in accordance with this section by:
- (a) For an appointed public officer, the appointing authority of the public officer; and
  - (b) For an elected public officer of:
- (1) The county and other political subdivisions within the county except cities, the county clerk;
  - (2) The city, the city clerk;
- (3) The Legislative Department of the State Government, the Director of the Legislative Counsel Bureau; and
- (4) The Executive Department of the State Government, the Director of the Department of Administration, or his or her designee.
  - 2. Within 30 days after a public employee begins employment:

- (a) The Director of the Department of Administration, or his or her designee, shall provide each new public employee of a state agency with the information prepared by the Commission concerning the statutory ethical standards; and
- (b) The manager of each local agency, or his or her designee, shall provide each new public employee of the local agency with the information prepared by the Commission concerning the statutory ethical standards.
  - 3. Each public officer shall acknowledge that the public officer:
  - (a) Has received, read and understands the statutory ethical standards; and
- (b) Has a responsibility to inform himself or herself of any amendments to the statutory ethical standards as soon as reasonably practicable after each session of the Legislature.
- 4. The acknowledgment must be executed on a form prescribed by the Commission and must be filed with the Commission:
- (a) If the public officer is elected to office at the general election, on or before January 15 of the year following the public officer's election.
- (b) If the public officer is elected to office at an election other than the general election or is appointed to office, on or before the 30th day following the date on which the public officer swears or affirms the oath of office.
- 5. Except as otherwise provided in this subsection, a public officer shall execute and file the acknowledgment once for each term of office. If the public officer serves at the pleasure of the appointing authority and does not have a definite term of office, the public officer, in addition to executing and filing the acknowledgment after the public officer swears or affirms the oath of office in accordance with subsection 4, shall execute and file the acknowledgment on or before January 15 of each even-numbered year while the public officer holds that office.
- 6. For the purposes of this section, the acknowledgment is timely filed if, on or before the last day for filing, the acknowledgment is filed in one of the following ways:
- (a) Delivered in person to the principal office of the Commission in Carson City.
- (b) Mailed to the Commission by first-class mail, or other class of mail that is at least as expeditious, postage prepaid. Filing by mail is complete upon timely depositing the acknowledgment with the United States Postal Service.
- (c) Dispatched to a third-party commercial carrier for delivery to the Commission within 3 calendar days. Filing by third-party commercial carrier is complete upon timely depositing the acknowledgment with the third-party commercial carrier.
- (d) Transmitted to the Commission by facsimile machine or other electronic means authorized by the Commission. Filing by facsimile machine or other electronic means is complete upon receipt of the transmission by the Commission.
- 7. If a public officer is serving in a public office and executes and files the acknowledgment for that office as required by the applicable provisions of this

section, the public officer shall be deemed to have satisfied the requirements of this section for any other office held concurrently by him or her.

- 8. The form for making the acknowledgment must contain:
- (a) The address of the Internet website of the Commission where a public officer may view the statutory ethical standards and print a copy of the standards; and
- (b) The telephone number and mailing address of the Commission where a public officer may make a request to obtain a printed copy of the statutory ethical standards from the Commission.
- 9. Whenever the Commission, or any public officer or employee as part of the public officer's or employee's official duties, provides a public officer with a printed copy of the form for making the acknowledgment, a printed copy of the statutory ethical standards must be included with the form.
- 10. The Commission shall retain each acknowledgment filed pursuant to this section for 6 years after the date on which the acknowledgment was filed.
- 11. [Willful refusal] A public officer who [fails] refuses to execute and file the acknowledgment required by this section shall be deemed to [be:
- (a) A willful] have committed a violation of this chapter for the purposes of NRS 281A.785 and 281A.790. [; and
- (b) Nonfeasance in office for the purposes of NRS 283.440 and, if the public officer is removable from office pursuant to NRS 283.440, the Commission may file a complaint in the appropriate court for removal of the public officer pursuant to that section. This paragraph grants an exclusive right to the Commission, and no other person may file a complaint against the public officer pursuant to NRS 283.440 based on any violation of this section. or who fails to file the acknowledgment in a timely manner is subject to a civil penalty pursuant to section 12 of this act.]
- 12. As used in this section, "general election" has the meaning ascribed to it in NRS 293.060.
  - Sec. 37. NRS 281A.510 is hereby amended to read as follows:
- 281A.510 1. [A] Except as otherwise provided in this section, a public officer or [public] employee shall not accept or receive an honorarium.
- 2. An honorarium paid on behalf of a public officer or [public] employee to a charitable organization from which the *public* officer or employee does not derive any financial benefit is deemed not to be accepted or received by the *public* officer or employee for the purposes of this section.
  - 3. This section does not prohibit:
- (a) The receipt of *any* payment *by a public officer or employee* for work performed outside the normal course of [a person's] his or her public office or employment if the performance of that work is consistent with the applicable policies of [the person's] his or her public body, agency or employer regarding supplemental employment.
- (b) The receipt of an honorarium by the spouse *or domestic partner* of a public officer or <del>[public]</del> employee if it is related to the <del>[spouse's]</del> profession or occupation <del>[.]</del> of the spouse or domestic partner.

- 4. As used in this section, "honorarium" means the payment of money or anything of value for an appearance or speech by the public officer or [public] employee in [the officer's or employee's] his or her capacity as a public officer or [public] employee. The term does not include the payment of:
- (a) The actual and necessary costs incurred by the public officer or [public] employee, the [officer's or employee's] spouse or [the officer's or employee's aid] domestic partner of the public officer or employee or any assistant of the public officer or employee for transportation and for lodging and meals while the public officer or [public] employee is away from [the officer's or employee's] his or her residence.
- (b) Compensation which would otherwise have been earned by the public officer or [public] employee in the normal course of [the officer's or employee's] his or her public office or employment.
- (c) A fee for a speech related to the *public* officer's or employee's profession or occupation outside of {the officer's or employee's} his or her public office or employment if:
- (1) Other members of the profession or occupation are ordinarily compensated for such a speech; and
- (2) The fee paid to the public officer or [public] employee is approximately the same as the fee that would be paid to a member of the private sector whose qualifications are similar to those of the *public* officer or employee for a comparable speech.
- (d) A fee for a speech delivered to an organization of legislatures, legislators or other elected officers.
- 5. In addition to any other penalties provided by law, a public officer or [public] employee who violates the provisions of this section shall forfeit the amount of the honorarium.
  - Sec. 38. NRS 281A.550 is hereby amended to read as follows:
- 281A.550 1. A former member of the Public Utilities Commission of Nevada shall not:
- (a) Be employed by a public utility or parent organization or subsidiary of a public utility; or
- (b) Appear before the Public Utilities Commission of Nevada to testify on behalf of a public utility or parent organization or subsidiary of a public utility, 

  → for 1 year after the termination of the member's service on the Public Utilities Commission of Nevada.
- 2. A former member of the Nevada Gaming Control Board or the Nevada Gaming Commission shall not:
- (a) Appear before the Nevada Gaming Control Board or the Nevada Gaming Commission on behalf of a person who holds a license issued pursuant to chapter 463 or 464 of NRS or who is required to register with the Nevada Gaming Commission pursuant to chapter 463 of NRS; or
  - (b) Be employed by such a person,
- → for 1 year after the termination of the member's service on the Nevada Gaming Control Board or the Nevada Gaming Commission.

- 3. In addition to the prohibitions set forth in subsections 1 and 2, and except as otherwise provided in subsections 4 and 6, a *current or* former public officer or *management-level public* employee of a board, commission, department, division or other agency of the Executive Department of *the* State Government\_{\_{[, except a elerical employee,]}} shall not solicit or accept employment from a business or industry whose activities are governed by regulations adopted *or administered* by the board, commission, department, division or other agency , *as applicable, during the public officer's or employee's period of public service or employment or* for 1 year after the termination of [the former public officer's or employee's] his or her period of public service or [period of] employment, if:
- (a) The [former] public officer's or employee's principal duties *include or* included the formulation of policy contained in the regulations governing the business or industry;
- (b) [During] Within the immediately preceding year [, the former] during the public officer's or employee's period of public service or employment or within the year immediately preceding the termination of the public officer's or employee's period of public service or employment, the public officer or employee directly performed activities, or controlled or influenced an audit, decision, investigation or other action, which significantly affected the business or industry; [which might, but for this section, employ the former public officer or employee;] or
- (c) As a result of the [former] public officer's or employee's governmental service or employment, the [former] public officer or employee possesses knowledge of the trade secrets of a direct business competitor.
- 4. The provisions of subsection 3 do not apply to a *current or* former <del>[public officer who was a]</del> member of a board, commission or similar body of the State if:
- (a) The [former public officer] member is engaged in the profession, occupation or business regulated by the board, commission or similar body;
- (b) The [former public officer] member holds a license issued by the board, commission or similar body; and
- (c) Holding a license issued by the board, commission or similar body is a requirement for membership on the board, commission or similar body.
- 5. Except as otherwise provided in subsection 6, a *current or* former public officer or employee of the State or a political subdivision, except a clerical employee, shall not solicit or accept employment from a person to whom a contract for supplies, materials, equipment or services was awarded by the State or political subdivision, as applicable, *or was implemented, managed or administered by the State or political subdivision, as applicable, during the public officer's or employee's period of public service or employment or for 1 year after the termination of [the officer's or employee's] his or her period of public service or [period of] employment, if:* 
  - (a) The amount of the contract exceeded \$25,000;

- (b) The contract was awarded or was implemented, managed or administered by the State or political subdivision, as applicable, within the immediately preceding year during the public officer's or employee's period of public service or employment or within the [12 month period] year immediately preceding the termination of the public officer's or employee's period of public service or [period of] employment; and
- (c) The position held by the [former] public officer or employee at the time the contract was awarded *or while it was implemented, managed or administered by the State or political subdivision, as applicable,* allowed the [former] public officer or employee to <u>materially</u> affect or influence the awarding of the contract [.] or its implementation, management or administration.
- 6. A current or former public officer or employee may file a request for an advisory opinion pursuant to NRS 281A.675 concerning the application of the relevant facts in that person's case to the provisions of subsection 3 or 5, as applicable, and the Commission may determine whether relief from the strict application of those provisions is proper. For the purposes of submitting all necessary information for the Commission to render a decision and issue an advisory opinion in the matter, a current or former public officer or employee may request information concerning potential employment from any business, industry or other person without violating the provisions of subsection 3 or 5, as applicable. If the Commission determines that relief from the strict application of the provisions of subsection 3 or 5, as applicable, is not contrary to:
  - (a) The best interests of the public;
- (b) The continued ethical integrity of the State Government or political subdivision, as applicable; and
  - (c) The provisions of this chapter,
- it may issue an advisory opinion to that effect and grant such relief.
- 7. For the purposes of subsection 6, the request for an advisory opinion, the decision rendered, the advisory opinion and all meetings, hearings and proceedings of the Commission in such a matter are governed by the provisions of NRS 281A.670 to 281A.690, inclusive <u>t</u>, and section 13 of this act.]
- 8. The advisory opinion does not relieve the current or former public officer or employee from the strict application of any provision of NRS 281A.410.
- 9. [For] Except as otherwise provided in subsection 6, for the purposes of this section:
- (a) A former member of the Public Utilities Commission of Nevada, the Nevada Gaming Control Board or the Nevada Gaming Commission; or
- (b) Any other  $current \ or$  former public officer or employee governed by this section.
- is employed by or is soliciting or accepting employment from a business, industry or other person described in this section if any oral or written

agreement is sought, negotiated or exists during the restricted period pursuant to which the personal services of the public officer or employee are provided or will be provided to the business, industry or other person, even if such an agreement does not or will not become effective until after the restricted period.

- 10. As used in this section, "regulation" has the meaning ascribed to it in NRS 233B.038 and also includes regulations adopted *or administered* by a board, commission, department, division or other agency of the Executive Department of *the* State Government that is exempted from the requirements of chapter 233B of NRS.
  - Sec. 39. NRS 281A.665 is hereby amended to read as follows:
- 281A.665 1. The published opinions of the Commission constitute administrative precedents with persuasive value that the Commission may consider and follow in the adjudication and disposition of any request for an advisory opinion or ethics complaint.
- 2. The Legislative Counsel shall prepare annotations to this chapter for inclusion in the Nevada Revised Statutes based on the published opinions of the Commission.
- 3. The [Commission's] opinions of the Commission may include guidance to a public officer or employee on questions whether:
- [1.] (a) A conflict exists between the public officer's or employee's personal interest and the public officer's or employee's official [duty. 2.] duties.
- (b) The public officer's or employee's official duties involve the use of discretionary judgment whose exercise in the particular matter would have a significant effect upon the disposition of the matter.
- [3.] (c) The conflict would materially affect the independence of the judgment of a reasonable person in the public officer's or employee's situation.
- [4.] (d) The public officer or employee possesses special knowledge which is an indispensable asset of [the public officer's or employee's public] his or her public body, agency or employer and is needed by it to reach a sound decision.
- [5.] (e) It would be appropriate for the public officer or employee to withdraw or abstain from participation, disclose the nature of the public officer's or employee's conflicting personal interest or pursue some other designated course of action in the matter.
  - Sec. 40. [NRS 281A.670 is hereby amended to read as follows:
- 281A.670 The provisions of NRS 281A.670 to 281A.690, inclusive, *and section 13 of this act* apply to proceedings concerning a request for an advisory opinion.] (Deleted by amendment.)
  - Sec. 41. NRS 281A.675 is hereby amended to read as follows:
- 281A.675 1. [A] Except as otherwise provided in this section and NRS 281A.280:
- (a) A public officer or employee may file with the Commission a request for an advisory opinion to:

- $\frac{\{(a)\}}{\{(a)\}}$  (1) Seek guidance on matters which directly relate to the propriety of his or her own past, present or future conduct as a public officer or employee under the statutory ethical standards; [set forth in this chapter;] or
- [(b)] (2) Request relief pursuant to NRS 281A.410, 281A.430 or 281A.550 . *[or section 10 of this act.]*
- (b) The supervisory head or the legal counsel of a public body, agency or employer may file with the Commission a request for an advisory opinion to seek guidance on the application of the statutory ethical standards to a hypothetical or general set of facts and circumstances involving one or more particular positions with the public body, agency or employer, but such a request must not involve any actual or specific facts and circumstances of any public officers or employees who are or will be serving or who have served in those particular positions.
  - 2. The request for an advisory opinion must be:
  - (a) Filed on a form prescribed by the Commission; and
- (b) Submitted with all necessary information for the Commission to render *a decision and issue* an advisory opinion in the matter.
- 3. At any time after a request for an advisory opinion is filed with the Commission, the Commission may request additional information relating to the request for an advisory opinion from the following persons:
  - (a) The requester and his or her legal counsel.
- (b) If the requester filed the request for an advisory opinion pursuant to paragraph (a) of subsection 1 and is not represented by the legal counsel of his or her public body, agency or employer, the supervisory head or the legal counsel of that public body, agency or employer, but the Commission shall not disclose the name or position of the requester or the subject matter of the request for an advisory opinion in making such a request for additional information.
- 4. The Commission may decline to render *a decision and issue* an advisory opinion if the [public officer or employee] requester does not:
- (a) Submit all necessary information for the Commission to render *a decision and issue* an advisory opinion in the matter; or
- (b) Declare by oath or affirmation that he or she will testify truthfully regarding the matter.
  - Sec. 42. NRS 281A.680 is hereby amended to read as follows:
- 281A.680 1. [If a public officer or employee] Except as otherwise provided in this section, if a requester properly files a request for an advisory opinion, the Commission shall render a decision and issue an advisory opinion that interprets the statutory ethical standards and applies those standards to the given set of facts and circumstances.
- 2. The Commission shall render *a decision concerning* the *request for an* advisory opinion within 45 days after receiving the request, unless [the]:
  - (a) The requester waives this time limit [-.

- (b) The Commission stays or dismisses the proceedings concerning the request for an advisory opinion because:
- (1) An ethics complaint is filed or pending that involves some or all of the same issues or facts and circumstances that are involved in the request for an advisory opinion; and
- (2) The Commission determines that staying or dismissing the proceedings concerning the request for an advisory opinion is necessary for the just adjudication and disposition of the proceedings concerning the ethics complaint.
- 3. If the Commission renders a decision concerning the request for an advisory opinion pursuant to this section, the Commission shall issue a written advisory opinion within 90 days after the date on which the decision is rendered, unless the Commission determines that there is good cause to extend this time limit.
- 4. If the Commission issues a written advisory opinion [rendered by the Commission] to a requester who filed the request for an advisory opinion pursuant to paragraph (a) of subsection 1 of NRS 281A.675 and the advisory opinion relates to the propriety of the present or future conduct of the requester, the advisory opinion is:
- (a) Binding upon the requester with regard to the future conduct of the requester; and
- (b) A final decision that is subject to judicial review pursuant to NRS 233B.130.
- [3.] If the requester seeks judicial review pursuant to NRS 233B.130, any proceedings concerning such judicial review must be confidential and held in closed court without admittance of persons other than those necessary to the proceedings, unless the requester waives this right to confidential proceedings.
- 5. If the Commission issues a written advisory opinion to a requester who filed the request for an advisory opinion pursuant to paragraph (b) of subsection 1 of NRS 281A.675, the advisory opinion is not a final decision that is subject to judicial review pursuant to NRS 233B.130.
  - Sec. 43. NRS 281A.685 is hereby amended to read as follows:
- 281A.685 1. Except as otherwise provided in this section, the following materials are confidential and are not public records pursuant to chapter 239 of NRS:
  - (a) A request for an advisory opinion;
- (b) The *decision rendered and the* advisory opinion <del>[rendered]</del> *issued* by the Commission in response to the request;
- (c) Any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request; and
- (d) Any information, communications, records, documents or other materials in the possession of the requester of the advisory opinion that are related to the request and, if disclosed by the requester, would reveal the

existence, nature or content of the request, the decision rendered or the advisory opinion.

- 2. The provisions of subsection 1 do not create or impose any duty on the Commission or its staff to protect or defend against the disclosure of any materials not in the possession of the Commission or its staff, regardless of whether the materials are related to the request.
- 3. The provisions of subsection 1 do not apply to any materials in the possession of the Commission or its staff that are related to the request if the requester of the advisory opinion:
- (a) Acts in contravention of *the decision rendered or* the advisory opinion, in which case the Commission may disclose the request, *the decision rendered*, the advisory opinion and any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request;
- (b) Authorizes the Commission, in writing, to make the request, the decision rendered, the advisory opinion or any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request publicly available [;], except that any disclosure of materials pursuant to this paragraph is limited to the specific materials that the requester authorizes the Commission, in writing, to make publicly available; or
- (c) Voluntarily discloses, in any manner, the request, *the decision rendered*, the advisory opinion or any information, communications, records, documents or other materials in the possession of the Commission or its staff that are related to the request, except to:
- (1) The [public body,] supervisory head or the legal counsel of his or her public body, agency or employer [of the requester or the] or to any other public officer or employee of that public body, agency or employer to whom the supervisory head or the legal counsel authorizes such a disclosure;
  - (2) The legal counsel of the requester <del>[;</del>
- (2)] to facilitate legal representation when the requester is not represented by the legal counsel of his or her public body, agency or employer;
- (3) Any *other* person to whom the Commission authorizes the requester to make such a disclosure; or
- $\frac{\{(3)\}}{(4)}$  Any *other* person to whom the requester makes such a disclosure for the purposes of judicial review pursuant to *subsection 4 of* NRS 281A.680.
  - Sec. 44. NRS 281A.690 is hereby amended to read as follows:
- 281A.690 1. [Except as otherwise provided in this section, the] *The* provisions of chapter 241 of NRS do not apply to:
- (a) Any meeting or hearing held by the Commission to receive information or evidence concerning a request for an advisory opinion; and
- (b) Any deliberations or actions of the Commission on such information or evidence.
- 2. The [public officer or employee] requester who files the request for an advisory opinion may also file a request with the Commission to hold a public

meeting or hearing regarding the request for an advisory opinion. If the Commission grants the request to hold a public meeting or hearing, the Commission shall provide public notice of the meeting or hearing, and the meeting or hearing must be open to the public and conducted in accordance with the regulations of the Commission, but the meeting or hearing is not subject to the provisions of chapter 241 of NRS.

- Sec. 45. NRS 281A.700 is hereby amended to read as follows:
- 281A.700 The provisions of NRS 281A.700 to 281A.790, inclusive, *and section 14 of this act* apply to proceedings concerning an ethics complaint.
- Sec. 46. [NRS 281A.705 is hereby amended to read as follows:
- 281A.705 1. [If] Except as otherwise provided in this section, if an ethics complaint is filed with or initiated by the Commission concerning a [present] current or former [state] public officer or employee [, unless the state officer or employee retains his or her legal counsel or the Attorney General tenders the defense of the state officer or employee to an insurer who, pursuant to a contract of insurance, is authorized to defend the state officer or employee, the Attorney General] of a state or local agency, the official attorney of the state or local agency, as applicable, shall defend the [state] public officer or employee [or employ special counsel to defend the state officer or employee in any proceeding relating to] in proceedings concerning the ethics complaint if:
- (a) The [state] public officer or employee submits a written request for defense [in the manner provided in NRS 41.0339;] to the official attorney; and
   (b) Based on the facts and allegations known to the [Attorney General, the Attorney General] official attorney relating to the ethics complaint, the official attorney determines that the act or omission on which the alleged violation is based:
- (1) Appears to be within the course and scope of *the* public [duty] *duties* or employment of the [state] *public* officer or employee; and
  - (2) Appears to have been performed or amitted in good faith
- 2. The [Attorney General] official attorney shall create a written record setting forth the basis for the [Attorney General's] official attorney's determination of whether to defend the [state] public officer or employee pursuant to paragraph (b) of subsection 1. The written record is not admissible in evidence at trial or in any other judicial or administrative [proceeding] proceedings in which the [state] public officer or employee is a party, except in connection with an application to withdraw as the attorney of record.
- 3. If the facts and allegations relating to the ethics complaint concern any alleged violations that occurred after the end of the public officer's or employee's period of public service or employment with the agency, the official attorney is not required to defend the public officer or employee with regard to those alleged violations, unless the official attorney provided legal advice to the public officer or employee relating to the subject matter of those alleged violations before the end of the public officer's or employee's period of public service or employment with the agency.

- 4. The official attorney is not required to defend the public officer or employee pursuant to this section if:
- (a) The public officer or employee employs or retains his or her own legacounsel or represents himself or herself in the matter;
- (b) The official attorney employs or retains special counsel to defend the public officer or employee in the matter; or
- (c) The official attorney tenders the defense of the public officer or employee to an insurer who, pursuant to a contract of insurance, is authorized to defend the public officer or employee in the matter.
- 5. As used in this section, "official attorney" means:
- (a) The Attorney General, if the proceedings involve a public officer or employee of a state agency that is represented by the Attorney General.
- (b) The chief legal officer or other authorized legal representative of a state agency that is authorized by a specific statute to employ or retain legal counsel other than the Attorney General, if the proceedings involve a public officer or employee of that state agency.
- (c) The chief legal officer or other authorized legal representative of a local agency, if the proceedings involve a public officer or employee of that local agency.} (Deleted by amendment.)
  - Sec. 47. NRS 281A.710 is hereby amended to read as follows:
- 281A.710 1. Except as otherwise provided in this section and NRS 281A.280, the Commission may render *a decision and issue* an opinion that interprets the statutory ethical standards and applies those standards to a given set of facts and circumstances regarding the propriety of the conduct of a public officer or employee if an ethics complaint is:
- (a) Filed by a specialized or local ethics committee established pursuant to NRS 281A.350.
- (b) Filed by any person, except a person who is incarcerated in a correctional facility in this State or any other jurisdiction.
- (c) Initiated by the Commission on its own motion, except the Commission shall not initiate such an ethics complaint based solely upon an anonymous complaint <u>i</u> funless, after a preliminary investigation of the information set forth in the anonymous complaint, the Commission determines that the information:
- (1) Is publicly available information that could have been readily discovered by the Commission or its staff without the anonymous complaint; or
- (2) Is not publicly available information that could have been readily discovered by the Commission or its staff without the anonymous complaint but the information has been independently verified by the Commission or its staff as accurate and reliable information.
- 2. An ethics complaint filed by a *specialized or local ethics committee or* person *pursuant to paragraph* (a) or (b) of subsection 1 must be:
- (a) Verified under oath and filed on a form prescribed by the Commission; and

- (b) Submitted with sufficient evidence to support the allegations in order for the Commission to make a determination of whether it has jurisdiction in the matter and whether an investigation is warranted in the matter pursuant to NRS 281A.715 and 281A.720.
- 3. The Commission may decline to render a decision and issue an opinion if the specialized or local ethics committee or person [who files] filing the ethics complaint pursuant to paragraph (a) or (b) of subsection 1 does not submit all necessary evidence in the matter.
  - Sec. 48. NRS 281A.715 is hereby amended to read as follows:
- 281A.715 1. Based on the evidence submitted with an ethics complaint filed with the Commission by a specialized or local ethics committee or person pursuant to paragraph (a) or (b) of subsection 1 of NRS 281A.710 [-] and any additional evidence obtained by the Executive Director pursuant to subsection 2, the Commission shall determine whether it has jurisdiction in the matter and whether an investigation is warranted in the matter. The Commission shall make its determination within 45 days after receiving the ethics complaint, unless the [public officer or employee who is the subject of the ethics complaint waives this time limit.
- $\frac{2}{2}$  Commission determines that there is good cause to extend this time limit.
- 2. To assist the Commission in making its determination pursuant to subsection 1 whether it has jurisdiction in the matter and whether an investigation is warranted in the matter, the Executive Director may conduct a preliminary investigation to obtain additional evidence concerning the allegations in the ethics complaint.
- 3. If the Commission determines *pursuant to subsection 1* that it does not have jurisdiction in the matter, the Commission shall dismiss the matter.
- [3.] 4. If the Commission determines *pursuant to subsection 1* that it has jurisdiction in the matter but the evidence [submitted with the ethics complaint] is not sufficient to warrant an investigation in the matter, the Commission shall dismiss the matter, with or without issuing a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.
- [4.] 5. If the Commission determines *pursuant to subsection 1* that it has jurisdiction in the matter and the evidence [submitted with the ethics complaint] is sufficient to warrant an investigation in the matter, the Commission may direct the Executive Director to investigate the ethics complaint pursuant to NRS 281A.720.
- 6. If the Commission initiates an ethics complaint on its own motion pursuant to paragraph (c) of subsection 1 of NRS 281A.710 and the Commission determines that the evidence:
- (a) Is not sufficient to warrant an investigation in the matter, the Commission may dismiss the matter, with or without prejudice. If the Commission dismisses the matter, it shall issue a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.

- (b) Is sufficient to warrant an investigation in the matter, the Commission may direct the Executive Director to investigate the ethics complaint pursuant to NRS 281A.720.
  - Sec. 49. NRS 281A.720 is hereby amended to read as follows:
- 281A.720 1. If the Commission directs the Executive Director to investigate an ethics complaint pursuant to NRS 281A.715, [or if the Commission initiates an ethics complaint on its own motion pursuant to NRS 281A.710,] the Executive Director shall investigate the facts and circumstances relating to the ethics complaint to determine whether the Executive Director believes that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter in order to present a written recommendation to the review panel pursuant to NRS 281A.725.
- 2. The Executive Director shall [provide] prepare and serve a written notice of the investigation of the ethics complaint pursuant to this section [to] on the public officer or employee who is the subject of the ethics complaint and provide the public officer or employee an opportunity to submit to the Executive Director a response to the [allegations against the public officer or employee in the ethics complaint.] written notice of the investigation. The response must be submitted within 30 days after the date on which the public officer or employee [receives] is served with the written notice of the investigation pursuant to this section, unless the public officer or employee waives the time limit set forth in subsection 1 of NRS 281A.725 and the Executive Director grants [an extension.] one or more extensions for good cause shown.
- 3. The purpose of the response submitted pursuant to this section is to provide the Executive Director and the review panel with any information relevant to the ethics complaint which the public officer or employee believes may assist:
- (a) The Executive Director in performing his or her investigation and other functions pursuant to this section and NRS 281A.725; and
- (b) The review panel in performing its review and other functions pursuant to NRS 281A.730.
- 4. The public officer or employee is not required in the response submitted pursuant to this section or in any proceedings before the review panel to assert, claim or raise any objection or defense, in law or fact, to the allegations against the public officer or employee, and no objection or defense, in law or fact, is waived, abandoned or barred by the failure to assert, claim or raise it in the response or in any proceedings before the review panel.
- 5. Whether or not the public officer or employee submits a response pursuant to this section, the Executive Director may take action, in the manner authorized by NRS 281A.300, to secure the public officer's or employee's participation, attendance as a witness and production of any books and papers during the course of the investigation.

- Sec. 50. NRS 281A.725 is hereby amended to read as follows:
- 281A.725 1. [Except as otherwise provided in this subsection, the] *The* Executive Director shall complete the investigation required by NRS 281A.720 and present a written recommendation to the review panel within 70 days after the Commission directs the Executive Director to investigate the ethics complaint [or after the Commission initiates the ethics complaint on its own motion, as applicable.], except that:
- (a) The public officer or employee who is the subject of the ethics complaint may waive this time limit  $\{\cdot,\cdot\}$ ; or
- (b) Upon the request of the Executive Director, the presiding officer of the review panel may grant one or more extensions of this time limit for good cause shown.
- 2. The written recommendation that the Executive Director presents to the review panel must:
  - (a) Set forth the factual and legal basis for the recommendation;
- (b) State whether the Executive Director believes that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter; and
- (c) If the Executive Director believes that a disposition of the matter without an adjudicatory hearing is appropriate under the facts and circumstances, state any suggested disposition that is consistent with the provisions of this chapter, including, without limitation, whether the Executive Director believes that the conduct at issue may be appropriately addressed through additional training or other corrective action under the terms and conditions of a deferral agreement.
  - Sec. 51. NRS 281A.730 is hereby amended to read as follows:
- 281A.730 1. Except as otherwise provided in this section, the review panel shall determine whether there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter within 15 days after the Executive Director [provides] presents to the review panel [with] the recommendation required by NRS 281A.725. The public officer or employee who is the subject of the ethics complaint may waive this time limit. The review panel shall serve on the public officer or employee who is the subject of the ethics complaint a written notice of its determination.
  - 2. The review panel shall cause a record of its proceedings to be kept.
- 3. The review panel shall not determine that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter unless the Executive Director has provided the public officer or employee an opportunity to respond [to the allegations] as required by NRS 281A.720.
- 4. If the review panel determines that there is not just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter, it shall dismiss the matter, with or without prejudice, and with or without issuing a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.

- 5. If the review panel determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter but reasonably believes that the conduct at issue may be appropriately addressed through additional training or other corrective action under the terms and conditions of a deferral agreement, the review panel may:
- (a) Approve a deferral agreement proposed by the Executive Director and the public officer or employee instead of referring the ethics complaint to the Commission for further proceedings in the matter; or
- (b) Authorize the Executive Director and the public officer or employee to develop such a deferral agreement and may thereafter approve such a deferral agreement instead of referring the ethics complaint to the Commission for further proceedings in the matter.
- 6. If the review panel authorizes the development of a deferral agreement pursuant to subsection 5, the review panel shall specify a time limit for its development in the written notice of its determination that is served pursuant to subsection 1, and the deferral agreement must be developed within the time limit, unless the review panel grants one or more extensions for good cause shown. If the deferral agreement is not developed within the time limit, or any extension thereof, the review panel shall refer the ethics complaint to the Commission for further proceedings in the matter.
- 7. If the review panel does not approve a deferral agreement pursuant to subsection 5 or if the public officer or employee declines to enter into such a deferral agreement, the review panel shall refer the ethics complaint to the Commission for further proceedings in the matter.
- [7.] 8. If the review panel determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter and reasonably believes that the conduct at issue may not be appropriately addressed through additional training or other corrective action under the terms and conditions of a deferral agreement, the review panel shall refer the ethics complaint to the Commission for further proceedings in the matter.
  - Sec. 52. NRS 281A.740 is hereby amended to read as follows:
- 281A.740 1. In proceedings concerning an ethics complaint, the Executive Director and the public officer or employee who is the subject of the ethics complaint may develop a deferral agreement to defer further proceedings in the matter under the terms and conditions of the deferral agreement. A deferral agreement must be developed within any time limit specified by the review panel, or any extension thereof, pursuant to NRS 281A.730.
- 2. A deferral agreement does not become effective unless approved by the review panel pursuant to NRS 281A.730. If the review panel approves a deferral agreement, the Commission shall enforce the terms and conditions of the deferral agreement.
  - 3. A deferral agreement must:
- (a) Specify the training or other corrective action to be completed by or imposed upon the public officer or employee;

- (b) Specify any other terms and conditions, consistent with the provisions of this chapter, to be imposed upon the public officer or employee; and
- (c) Provide that the Commission may vacate the deferral agreement and conduct further proceedings in the matter if the Commission finds that the public officer or employee has failed to comply with any terms and conditions of the deferral agreement.
- 4. The imposition of training or other corrective action and the imposition of any other terms and conditions in a deferral agreement is without prejudice to any other disposition of the matter, consistent with this chapter, that may be ordered by the Commission if it vacates the deferral agreement and conducts further proceedings in the matter and finds that the public officer or employee has violated any provision of this chapter.
- 5. The Executive Director shall monitor the compliance of the public officer or employee who is the subject of a deferral agreement and may require the public officer or employee to document his or her compliance with the deferral agreement.
  - 6. The Executive Director shall:
- (a) Inform the Commission of any alleged failure of the public officer or employee to comply with the deferral agreement;
- (b) Give the public officer or employee written notice of any alleged failure to comply with the deferral agreement; and
- (c) Allow the public officer or employee not less than 15 days to respond to such a notice.
- 7. Within 60 days after the date on which the public officer or employee responds or was entitled to respond to the written notice of any alleged failure to comply with the deferral agreement, the Commission shall determine whether the public officer or employee failed to comply with the deferral agreement, unless the public officer or employee waives this time limit.
- 8. If the Commission determines that the public officer or employee failed to comply with the deferral agreement, the Commission may take any action it deems appropriate, consistent with the terms and conditions of the deferral agreement and the provisions of this chapter, including, without limitation, vacating the deferral agreement and conducting further proceedings in the matter.
- 9. If the public officer or employee who is the subject of the deferral agreement complies in a satisfactory manner with the deferral agreement, the Commission shall dismiss the matter.
  - Sec. 53. NRS 281A.745 is hereby amended to read as follows:
- 281A.745 1. If the review panel refers an ethics complaint to the Commission for further proceedings in the matter pursuant to NRS 281A.730 or if the Commission vacates a deferral agreement and conducts further proceedings in the matter pursuant to NRS 281A.740, the Commission shall hold an adjudicatory hearing and render [an opinion in the matter] a decision concerning the ethics complaint within 60 days after the date on which the review panel refers the ethics complaint to the Commission or the Commission

vacates the deferral agreement, as appropriate, unless the public officer or employee who is the subject of the ethics complaint waives this time limit.

- 2. [If] Before the Commission holds an adjudicatory hearing [to receive evidence] concerning an ethics complaint, the Commission shall:
- (a) [Notify] *Provide* the public officer or employee who is the subject of the ethics complaint *with a written notice* of the date, time and place of the hearing; *and*
- (b) Provide the parties with a written schedule for discovery relating to the hearing.
  - 3. At the adjudicatory hearing:
- (a) The Executive Director or his or her designee shall present the case to the Commission; and
  - (b) The Commission shall:
- (1) Allow the public officer or employee to be represented by legal counsel; and
- [(e)] (2) Allow the public officer or employee to hear the [evidence] case presented to the Commission by the Executive Director or his or her designee and to [respond and] present [evidence on] his or her own [behalf.
- -3. case to the Commission.
- 4. Unless the public officer or employee agrees to a shorter time, an adjudicatory hearing may not be held less than 10 days after the date on which the *written* notice of the hearing is [given] provided to the public officer or employee.
- [4.] 5. For good cause shown, the Commission may take testimony from a person by telephone or video conference at an adjudicatory hearing or at any other proceedings concerning the ethics complaint.
- 6. After the Commission renders a decision concerning the ethics complaint, the Commission shall issue a written opinion:
  - (a) Within 90 days after the date on which the decision is rendered; or
- (b) On the date of the next meeting of the Commission that is held after the date on which the decision is rendered,
- → whichever is later, unless the Commission determines that there is good cause to extend this time limit.
- 7. The written opinion issued by the Commission must include findings of fact and conclusions of law and otherwise comply with the requirements for a final decision set forth in NRS 233B.125.
  - Sec. 54. NRS 281A.750 is hereby amended to read as follows:
- 281A.750 1. Except as otherwise provided in this section and NRS 281A.755, all information, communications, records, documents or other materials in the possession of the Commission, the review panel or their staff that are related to an ethics complaint are confidential and are not public records pursuant to chapter 239 of NRS until:
- (a) The review panel determines whether there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter and

serves *the* written notice of its determination on the public officer or employee who is the subject of the ethics complaint [;] *pursuant to NRS 281A.730*; or

(b) The public officer or employee who is the subject of the ethics complaint authorizes the Commission, in writing, to make the information, communications, records, documents or other materials that are related to the ethics complaint publicly available,

## → whichever occurs first.

- 2. Except as otherwise provided in subsection [3,] 5, if a person who files an ethics complaint asks that his or her identity as the requester be kept confidential, the Commission:
- (a) Shall keep the identity of the requester confidential if he or she is a public officer or employee who works for the same public body, agency or employer as the public officer or employee who is the subject of the ethics complaint.
- (b) May keep the identity of the requester confidential if he or she offers sufficient facts and circumstances showing a reasonable likelihood that disclosure of his or her identity will subject the requester or a member of his or her household to a bona fide threat of physical force or violence.
- 3. If the Commission keeps the identity of the requester of an ethics complaint confidential pursuant to this section, the following materials are confidential and are not public records pursuant to chapter 239 of NRS:
- (a) All information, communications, records, documents or other materials in the possession of the Commission that, if disclosed by the Commission, would reveal that the requester filed the ethics complaint. Notwithstanding the provisions of chapter 239 of NRS, in denying a request for public records based on the confidentiality provided by this paragraph, the Commission is not required to provide any information that, if disclosed by the Commission in denying the request for public records, would reveal that the requester filed the ethics complaint.
- (b) All information, communications, records, documents or other materials in the possession of the requester of the ethics complaint or his or her public body, agency or employer that, if disclosed by either of them, would reveal that the requester filed the ethics complaint. Notwithstanding the provisions of chapter 239 of NRS, in denying a request for public records based on the confidentiality provided by this paragraph, the requester of the ethics complaint or his or her public body, agency or employer is not required to provide any information that, if disclosed by either of them in denying the request for public records, would reveal that the requester filed the ethics complaint.
- 4. If the Commission keeps the identity of the requester of an ethics complaint confidential  $\frac{1}{1}$  pursuant to this section and the Executive Director does not intend to present the testimony of the requester as evidence for consideration by the Commission at the adjudicatory hearing or in rendering a decision and issuing an opinion in the matter, the Commission shall not render a decision and issue an opinion in the matter unless there is sufficient

evidence without the testimony of the requester to consider the propriety of the conduct of the public officer or employee who is the subject of the ethics complaint. The provisions of this subsection do not abrogate or otherwise alter or affect the confidentiality of the identity of the requester of the ethics complaint.

- 5. If the Commission keeps the identity of the requester of an ethics complaint confidential pursuant to this section and the Executive Director intends to present the testimony of the requester as evidence for consideration by the Commission at the adjudicatory hearing or in rendering a decision and issuing an opinion in the matter and the public officer or employee who is the subject of the ethics complaint submits a written discovery request to the Commission pursuant to NRS 281A.755, the [Commission] Executive Director shall disclose the name of the requester only as a proposed witness [within a reasonable time before the adjudicatory hearing on the matter.] in accordance with the schedule for discovery provided to the parties pursuant to NRS 281A.745.
  - Sec. 55. NRS 281A.755 is hereby amended to read as follows:
- 281A.755 1. Except as otherwise provided in this section, the investigative file related to an ethics complaint is confidential and is not a public record pursuant to chapter 239 of NRS.
- 2. [At any time after being served with written notice of the determination of the review panel regarding the existence of just and sufficient cause for the Commission to render an opinion in the matter,] In accordance with the schedule for discovery provided to the parties pursuant to NRS 281A.745, the public officer or employee who is the subject of the ethics complaint may submit a written discovery request to the Commission for a list of proposed witnesses and a copy of any portion of the investigative file that the Executive Director intends to present as evidence for consideration by the Commission at the adjudicatory hearing or in rendering a decision and issuing an opinion in the matter.
- 3. Any portion of the investigative file which the Executive Director presents as evidence for consideration by the Commission at the adjudicatory hearing or in rendering *a decision and issuing* an opinion in the matter becomes a public record and must be open for inspection pursuant to chapter 239 of NRS [...] after the Commission takes final action concerning the ethics complaint in a public meeting or hearing pursuant to subsection 2 of NRS 281A.760.
  - 4. For the purposes of this section:
  - (a) The investigative file includes, without limitation:
- (1) Any response concerning the ethics complaint prepared by the public officer or employee pursuant to NRS 281A.720 and submitted to the Executive Director and the review panel during the course of the investigation and any proceedings before the review panel;
- (2) Any recommendation concerning the ethics complaint prepared by the Executive Director pursuant to NRS 281A.725 and [submitted] presented

to the review panel during the course of the investigation and any proceedings before the review panel; and

- (3) Any other information provided to or obtained by or on behalf of the Executive Director through any form of communication during the course of the investigation and any proceedings before the review panel and any records, documents or other materials created or maintained during the course of the investigation and any proceedings before the review panel which relate to the public officer or employee who is the subject of the ethics complaint, including, without limitation, a transcript, regardless of whether such information, records, documents or other materials are obtained pursuant to a subpoena.
  - (b) The investigative file does not include any deferral agreement.
  - Sec. 56. NRS 281A.760 is hereby amended to read as follows:
  - 281A.760 1. The provisions of chapter 241 of NRS do not apply to:
- $\{1+\}$  (a) Any meeting or hearing held by the Commission to receive information or evidence concerning an ethics complaint; and
- [2.] (b) Any deliberations or actions of the Commission on such information or evidence.
- 2. The Commission shall take final action concerning an ethics complaint in a public meeting or hearing. The Commission shall provide public notice of the meeting or hearing, and the meeting or hearing must be open to the public and conducted in accordance with the regulations of the Commission, but the meeting or hearing is not subject to the provisions of chapter 241 of NRS.
  - Sec. 57. NRS 281A.765 is hereby amended to read as follows:
- 281A.765 [1. If the Commission renders an opinion in proceedings concerning an ethics complaint, the opinion must include findings of fact and conclusions of law.
- $\frac{2}{1}$ . If, in proceedings concerning an ethics complaint, if the Commission determines that a violation of this chapter:
- [(a)] 1. Has not been proven, the Commission shall dismiss the matter, with or without prejudice, and with or without issuing a letter of caution or instruction to the public officer or employee pursuant to NRS 281A.780.
- [(b)] 2. Has been proven, the Commission may take any action authorized by this chapter.
  - Sec. 58. NRS 281A.770 is hereby amended to read as follows:
- 281A.770 In any matter in which the Commission disposes of an ethics complaint by stipulation, agreed settlement or consent order or in which the review panel approves a deferral agreement, the Commission or the review panel, as appropriate, shall:
- 1. To the extent practicable based on the given set of facts and circumstances, treat comparable situations in a comparable manner; and [shall ensure]
- 2. *Ensure* that the disposition of the matter bears a reasonable relationship to the severity of the violation or alleged violation.

- Sec. 59. NRS 281A.775 is hereby amended to read as follows:
- 281A.775 1. The Commission, in determining [whether a violation of this chapter is a willful violation and, if so,] the penalty to be imposed on a [public officer or employee] current or former public officer or employee pursuant to NRS 281A.785 or 281A.790, or the review panel, in determining whether to approve a deferral agreement regarding an alleged violation, shall consider, without limitation:
- (a) The seriousness of the violation or alleged violation, including, without limitation, the nature, circumstances, extent and gravity of the violation or alleged violation;
- (b) The number and history of previous warnings, letters of caution or instruction, deferral agreements or violations or alleged violations of the provisions of this chapter relating to the public officer or employee;
- (c) The cost to conduct the investigation and any meetings, hearings or other proceedings relating to the violation or alleged violation;
- (d) Any mitigating factors, including, without limitation, any self-reporting, prompt correction of the violation or alleged violation, any attempts to rectify the violation or alleged violation before any ethics complaint is filed and any cooperation by the public officer or employee in resolving the ethics complaint;
- (e) Any restitution or reimbursement paid to parties affected by the violation or alleged violation;
- (f) The extent of any financial gain resulting from the violation or alleged violation; and
  - (g) Any other matter justice may require.
- 2. The factors set forth in this section are not exclusive or exhaustive, and the Commission or the review panel, as appropriate, may consider other factors in the disposition of the matter if they bear a reasonable relationship to the determination of the severity of the violation or alleged violation.
- 3. In applying the factors set forth in this section, the Commission or the review panel, as appropriate, shall :
- (a) To the extent practicable based on the given set of facts and circumstances, treat comparable situations in a comparable manner; and [shall ensure]
- (b) Ensure that the disposition of the matter bears a reasonable relationship to the severity of the violation or alleged violation.
  - Sec. 60. NRS 281A.780 is hereby amended to read as follows:
- 281A.780 1. In proceedings concerning an ethics complaint, the Commission or the review panel, as appropriate, may issue a letter of caution or instruction to the public officer or employee who is the subject of the ethics complaint to caution or instruct the public officer or employee regarding the propriety of his or her conduct under the statutory ethical standards . [set forth in this chapter.]
- 2. If the Commission or the review panel issues a letter of caution or instruction to the public officer or employee, the letter:

- (a) Is confidential and is not a public record pursuant to chapter 239 of NRS.
- (b) May be considered in deciding the appropriate action to be taken on any subsequent ethics complaint involving the public officer or employee, unless the letter is not relevant to the issues presented by the subsequent ethics complaint.
  - Sec. 61. NRS 281A.785 is hereby amended to read as follows:
- 281A.785 1. [Except as otherwise provided in this section, in] In proceedings concerning an ethics complaint, the Commission, based on a finding that a violation of this chapter has been proven, or the review panel, as part of the terms and conditions of a deferral agreement, may, in addition to any other [penalty] penalties provided by law and in accordance with the provisions of NRS 281A.775:
- (a) Require the public officer or employee who is the subject of the ethics complaint to:
- (1) Comply in all respects with the provisions of this chapter for a specified period without being the subject of another ethics complaint arising from an alleged violation of this chapter by the public officer or employee which occurs during the specified period and for which the review panel determines that there is just and sufficient cause for the Commission to render *a decision and issue* an opinion in the matter.
  - (2) Attend and complete training.
  - (3) Follow a remedial course of action.
  - (4) Issue a public apology.
  - (5) Comply with conditions or limitations on future conduct.
- (b) Publicly <del>[admonish,]</del> reprimand <del>[or censure]</del> the public officer or employee.
- (c) Take any combination of such actions or any other reasonable action that the Commission or the review panel, as appropriate, determines will remedy the violation or alleged violation or deter similar violations or conduct.
- 2. [In carrying out the provisions of subsection 1, the Commission, based on a finding that a violation of this chapter has been proven, or the review panel, as part of the terms and conditions of a deferral agreement, may publicly:
- (a) Admonish a public officer or employee if it is determined that the public officer or employee has violated any provision of this chapter, but the violation is not willful, or if such an admonishment is imposed as part of the terms and conditions of a deferral agreement. An admonishment is a written expression of disapproval of the conduct of the public officer or employee.
- (b) Reprimand a public officer or employee if it is determined that the public officer or employee has willfully violated any provision of this chapter, but there is no evidence that the willful violation involved bad faith, malicious intent or knowing or reckless disregard of the law, or if such a reprimand is imposed as part of the terms and conditions of a deferral agreement. A reprimand is a severe written reproof for the conduct of the public officer or employee.

- (c) Censure a public officer or employee if it is determined that the public officer or employee has willfully violated any provision of this chapter and there is evidence that the willful violation involved bad faith, malicious intent or knowing or reckless disregard of the law or there are no substantial mitigating factors pursuant to NRS 281A.775 for the willful violation, or if such a censure is imposed as part of the terms and conditions of a deferral agreement. A censure is a formal written condemnation of the conduct of the public officer or employee.
- 3.] Any action taken by the Commission pursuant to this section is a final decision for the purposes of judicial review pursuant to NRS 233B.130. Any action taken by the review panel pursuant to this chapter, including, without limitation, any action relating to a deferral agreement, is not a final decision for the purposes of judicial review pursuant to NRS 233B.130.
  - Sec. 62. NRS 281A.790 is hereby amended to read as follows:
- 281A.790 1. In addition to any other penalties provided by law and in accordance with the provisions of NRS 281A.775, the Commission may impose on a [public officer or employee] current or former public officer or employee civil penalties:
  - (a) Not to exceed \$5,000 for a first [willful] violation of this chapter;
- (b) Not to exceed \$10,000 for a separate act or event that constitutes a second [willful] violation of this chapter; and
- (c) Not to exceed \$25,000 for a separate act or event that constitutes a third [willful] violation or any additional violation of this chapter.
- 2. [In] For the purposes of this section, in determining whether a current or former public officer or employee has committed one or more violations of this chapter, each separate act or event that constitutes a violation of this chapter must be treated as a separate violation that is cumulative to all other violations by that person, whenever committed, without regard to the sequence of the violations or whether the violations are established in the same proceedings concerning the same ethics complaint or in separate proceedings concerning separate ethics complaints.
- 3. Except as otherwise provided in NRS 281A.280, in addition to any other penalties provided by law, if a current or former public officer or employee or any other person prevents, interferes with or attempts to prevent or interfere with any investigation or proceedings pursuant to this chapter or the discovery of a violation of this chapter, such an act shall be deemed to be a violation of this chapter, and the Commission may, [upon its own motion or upon the motion of the current or former public officer or employee who is the subject of the investigation or proceedings:] after providing the person committing such an act with a written notice of the charges and an opportunity for a hearing in accordance with the regulations of the Commission:
- (a) Impose on the person committing such an act a civil penalty not to exceed 5,000; unless a greater civil penalty is authorized by subsection 1; and

- (b) If appropriate under the facts and circumstances, assess against the person committing such an act an amount equal to the amount of attorney's fees and costs actually and reasonably incurred as a result of the act by the Commission or any current or former public officer or employee [as a result of] who is a subject of the investigation or proceedings and who is harmed or prejudiced by the act.
- [3.] 4. If the Commission finds that a violation of [a provision of] this chapter by a [public officer or employee] current or former public officer or employee has resulted in the realization of a financial benefit by the [current or former] public officer or employee or another person, the Commission may, in addition to any other penalties provided by law, require the [current or former] public officer or employee to pay a civil penalty of not more than twice the amount so realized.
- [4.] 5. In addition to any other penalties provided by law, if [a proceeding results in] the Commission issues an opinion in which it finds that:
- (a) [One or more willful violations of this chapter have been committed by a] A State Legislator removable from office only through expulsion by the State Legislator's own House pursuant to Section 6 of Article 4 of the Nevada Constitution [,] has committed one or more violations of this chapter and the Commission has imposed civil penalties of \$5,000 or more for at least one of those violations, the Commission shall:
- (1) If the State Legislator is a member of the Senate, submit the opinion to the Majority Leader of the Senate or, if the Majority Leader of the Senate is the subject of the opinion or the person who requested the opinion, to the President Pro Tempore of the Senate; or
- (2) If the State Legislator is a member of the Assembly, submit the opinion to the Speaker of the Assembly or, if the Speaker of the Assembly is the subject of the opinion or the person who requested the opinion, to the Speaker Pro Tempore of the Assembly.
- (b) [One or more willful violations of this chapter have been committed by a] A state officer removable from office only through impeachment pursuant to Article 7 of the Nevada Constitution [1] has committed one or more violations of this chapter and the Commission has imposed civil penalties of \$5,000 or more for at least one of those violations, the Commission shall submit the opinion to the Speaker of the Assembly and the Majority Leader of the Senate or, if the Speaker of the Assembly or the Majority Leader of the Senate is the person who requested the opinion, to the Speaker Pro Tempore of the Assembly or the President Pro Tempore of the Senate, as appropriate.
- (c) [One or more willful violations of this chapter have been committed by a] A public officer, other than a public officer described in paragraphs (a) and (b), has committed one or more violations of this chapter, the [willful] violations shall be deemed to be malfeasance in office for the purposes of NRS 283.440 and the Commission:
- (1) [May] Except as otherwise provided in subparagraph (2), may file a complaint in the appropriate court for removal of the public officer pursuant

- to NRS 283.440 when the public officer is found in the opinion to have committed [fewer than three willful violations] one or more violations of this chapter [.] and the Commission has imposed civil penalties of \$5,000 or more for at least one of those violations.
- (2) Shall file a complaint in the appropriate court for removal of the public officer pursuant to NRS 283.440 when the public officer is found in the opinion to have committed [three] two or more [willful] violations of this chapter [.] and the Commission has imposed civil penalties of \$10,000 or more for at least one of those violations.
- → This paragraph grants an exclusive right to the Commission, and no other person may file a complaint against the public officer pursuant to NRS 283.440 based on any violation found in the opinion.
- [5.] 6. Notwithstanding any other provision of this chapter, any act or failure to act by a [public officer or employee] *current* or former public officer or employee relating to this chapter is not a [willful] violation of this chapter if the public officer or employee establishes by sufficient evidence that:
- (a) The public officer or employee relied in good faith upon the advice of the legal counsel *employed or* retained by his or her public body, agency or employer; and
  - (b) The advice of the legal counsel was:
- (1) Provided to the public officer or employee before the public officer or employee acted or failed to act; and
- (2) Based on a reasonable legal determination by the legal counsel under the circumstances when the advice was given that the act or failure to act by the public officer or employee would not be contrary to the provisions of this chapter as interpreted [by] in the published opinions of the Commission.
- [6.] 7. In addition to any other penalties provided by law, if a public employee commits a [willful] violation of this chapter or fails to complete a period of compliance imposed by the Commission pursuant to NRS 281A.785 or by the review panel as part of the terms and conditions of a deferral agreement [, the public employee is subject to disciplinary proceedings by]:
- (a) The Commission shall provide that information to the public body, agency or employer of the public employee; and [must be referred for]
- (b) The public body, agency or employer may pursue or take appropriate disciplinary action against the public employee in accordance [to] with the applicable provisions governing [the] his or her public employment. [of the public employee.
- —7.] 8. The provisions of this chapter do not abrogate or decrease the effect of the provisions of the Nevada Revised Statutes which define crimes or prescribe punishments with respect to the conduct of public officers or employees. If the Commission finds that a *current or former* public officer or employee has committed a [willful] violation of this chapter which it believes may also constitute a criminal offense, the Commission shall refer the matter to the Attorney General or the district attorney, as appropriate, for a

determination of whether a crime has been committed that warrants prosecution.

- [8.] 9. The imposition of a civil penalty pursuant to [subsection 1, 2 or 3] any provision of subsections 1 to 4, inclusive, is a final decision for the purposes of judicial review pursuant to NRS 233B.130.
- [9.] 10. A finding by the Commission that a *current or former* public officer or employee *or any other person* has violated any provision of this chapter must be supported by a preponderance of the evidence unless a greater burden is otherwise prescribed by law.
  - Sec. 63. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.035, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205,

432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 433.534, 433A.360, 437.145, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 445A.665, 445B.570, 449.209, 449.245, 449A.112, 450.140, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.365, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.325, 641A.191, 641A.289, 641B.170, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, section 14 of this act, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

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

- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.
- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
  - Sec. 64. NRS 241.016 is hereby amended to read as follows:
- 241.016 1. The meetings of a public body that are quasi-judicial in nature are subject to the provisions of this chapter.
  - 2. The following are exempt from the requirements of this chapter:
  - (a) The Legislature of the State of Nevada.
- (b) Judicial proceedings, including, without limitation, proceedings before the Commission on Judicial Selection and, except as otherwise provided in NRS 1.4687, the Commission on Judicial Discipline.
- (c) Meetings of the State Board of Parole Commissioners when acting to grant, deny, continue or revoke the parole of a prisoner or to establish or modify the terms of the parole of a prisoner.
- 3. Any provision of law, including, without limitation, NRS 91.270, 219A.210, 228.495, 239C.140, 281A.350, 281A.690, 281A.735, 281A.760, 284.3629, 286.150, 287.0415, 287.04345, 287.338, 288.220, 289.387, 295.121, 360.247, 388.261, 388A.495, 388C.150, 388G.710, 388G.730, 392.147, 392.467, 394.1699, 396.3295, 433.534, 435.610, 463.110, 622.320, 622.340, 630.311, 630.336, 631.3635, 639.050, 642.518, 642.557, 686B.170, 696B.550, 703.196 and 706.1725, and section 9 of this act, which:
- (a) Provides that any meeting, hearing or other proceeding is not subject to the provisions of this chapter; or
- (b) Otherwise authorizes or requires a closed meeting, hearing or proceeding,
- → prevails over the general provisions of this chapter.
- 4. The exceptions provided to this chapter, and electronic communication, must not be used to circumvent the spirit or letter of this chapter to deliberate or act, outside of an open and public meeting, upon a matter over which the public body has supervision, control, jurisdiction or advisory powers.
- Sec. 65. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

- Sec. 66. 1. Except as otherwise provided in this section, the Commission on Ethics:
- (a) Shall apply the amendatory provisions of this act which govern the procedures applicable to administrative proceedings arising under chapter 281A of NRS to any such proceedings that are within the jurisdiction of the Commission and are commenced on or after July 1, 2019, whether or not the conduct at issue in such proceedings occurred before July 1, 2019.
- (b) May apply the amendatory provisions of this act which govern the procedures applicable to administrative proceedings arising under chapter 281A of NRS to any such proceedings that were commenced before July 1, 2019, and are still within the jurisdiction of the Commission and pending before the Commission on July 1, 2019, unless the Commission determines that such an application would be impracticable, unreasonable or unconstitutional under the circumstances, in which case the Commission shall apply the procedures in effect before July 1, 2019.
- 2. The amendatory provisions of sections [10,1] 11, 18, 32 to 35, inclusive, 37 and 38 of this act do not apply to any conduct occurring before July 1, 2019.
- [3. Notwithstanding the amendatory provisions of sections 12 and 36 of this act, the Commission shall not apply those amendatory provisions to any acknowledgment of the statutory ethical standards that a public officer was required to file with the Commission pursuant to NRS 281A.500 if the last day for timely filing the acknowledgment with the Commission occurs before January 1, 2020.]
  - Sec. 67. This act becomes effective on July 1, 2019.

Senator Ohrenschall moved the adoption of the amendment.

Remarks by Senator Ohrenschall.

Amendment No. 526 to Senate Bill No. 129 deletes various provisions in the bill relating to State and local agency counsel providing legal representation to public officers and employees defending against ethics complaints; service of process by certain members of law enforcement; anonymous complaints; certain standards relating to cooling off provisions; establishing an ethics violation for failure to file the acknowledgement of statutory ethical standards; provisions amending certain fiduciary and volunteer relationships that would constitute a commitment in a private capacity, and provisions that would have changed the definition and interpretation of "significant pecuniary interest." The amendment clarifies that a public officer or employee is entitled to consult with counsel prior to cooperating with the Ethics Commission in its investigations and proceedings; provides for the electronic submission to the Commission a list of those required to file the acknowledgement of ethical standards; clarifies who the appointing authority is for certain public officers, and clarifies that the one-year cooling off period for certain State employees applies only to management-level employees.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 130.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 60.

## **ISENATOR** SENATORS WOODHOUSE AND GOICOECHEA

SUMMARY—Provides for the licensing and regulation of certain persons who administer radiation. (BDR 40-61)

AN ACT relating to radiation; creating the Radiation Therapy and Radiologic Imaging Advisory Committee; providing for a license to engage in radiation therapy or radiologic imaging; providing for a limited license to engage in radiologic imaging; prescribing the requirements for the issuance and renewal of such a license and limited license; authorizing certain persons to practice as radiologist assistants; prescribing additional qualifications for a person to perform certain types of radiation therapy and radiologic imaging; providing for the enforcement of the requirements concerning radiation therapy and radiologic imaging; authorizing the imposition of disciplinary action or an injunction against a person who engages in radiation therapy or radiologic imaging in certain circumstances; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the State Board of Health to adopt regulations for the licensing of persons to: (1) receive, possess or transfer radioactive materials and devices; and (2) engage in certain other activities relating to radioactive materials. (NRS 459.201) Section 9 of this bill authorizes the Division of Public and Behavioral Health of the Department of Health and Human Services to suspend, revoke or amend such a license or registration of a person who violates any provision of statute or regulations governing radioactive materials or radiation.

Sections 22-51 of this bill add a new chapter to NRS governing the licensing and regulation of persons who engage in radiation therapy and radiologic imaging. Section 32 of this bill exempts physicians, physician assistants, dentists, chiropractors, chiropractor's assistants, certain persons training to engage in the practice of chiropractic, podiatrists [and], persons who administer radiation only to animals, other than humans, and persons engaging in mammography from such licensing and regulation. Section 72.3 of this bill exempts podiatry hygienists and persons training to be podiatry hygienists from such licensing and regulation if the State Board of Podiatry adopts regulations prescribing the conditions under which such persons may engage in radiologic imaging and radiation therapy. Sections 62 and 63 of this bill authorize a podiatry hygienist to take and develop X-rays without obtaining a license to engage in radiation therapy and radiologic imaging under certain conditions before the effective date of such regulations. Sections 72.6 and 73.5 of this bill make conforming changes.

Section 35 of this bill prohibits a person from engaging in: (1) radiologic imaging unless he or she has obtained a license or limited license from the Division; or (2) radiation therapy unless he or she has obtained a license from the Division. [Sections] Section 56 [, 60 and 62] of this bill: (1) [authorize] authorizes a dental hygienist, dental assistant [,] or qualified dental technician [, chiropraetor's assistant, participant in certain chiropraetic preceptor

programs or podiatry hygienist] to perform certain types of radiography within the practice of his or her profession if he or she has successfully completed certain training; and (2) [prohibit] prohibits such a person from otherwise engaging in radiation therapy or radiologic imaging. [Sections] Section 57 [, 61 and 63] of this bill [make] makes a conforming [changes.] change. Sections [53-55 and 59] 54 and 55 of this bill clarify that a [physician assistant,] practitioner of respiratory care or homeopathic assistant is prohibited from engaging in radiation therapy or radiologic imaging unless he or she holds a license or limited license. Section 75 of this bill requires the Division to issue a license or limited license, as applicable, to the scope of practice of the person, to any person who is performing radiation therapy or radiologic imaging as part of his or her employment on or before January 1, 2020, and registers with the Division.

Sections 36 and 37 of this bill prescribe the qualifications for obtaining a license or a limited license. Section 37 also establishes the types of limited licenses that may be issued. Sections 38 and 39 of this bill provide for licensure by endorsement of persons who hold licenses in another state that correspond to a license to engage in radiation therapy and radiologic imaging or a limited license to engage in radiologic imaging. Sections 40 and 50 of this bill provide for the denial or suspension of a license or a limited license if the licensee is delinquent in child support payments, in conformance with federal law. Section 41 of this bill authorizes certain holders of a license to engage in radiation therapy and radiologic imaging to practice as a radiologist assistant. Sections 2 and 65 of this bill authorize the holder of a license to engage in radiation therapy and radiologic imaging or a person training to obtain such a license to take certain actions with regard to drugs to the same extent as was previously authorized for a radiologic or nuclear medicine technician or trainee. Section 3 of this bill makes a conviction of certain crimes involving dangerous drugs grounds for the suspension or revocation of a license to engage in radiation therapy and radiologic imaging.

Section 42 of this bill authorizes: (1) an unlicensed person to engage in supervised radiation therapy or radiologic imaging without compensation for the purpose of qualifying for a certification that is a prerequisite for a license or limited license; or (2) a license to practice outside the scope of his or her license under supervision for the purpose of qualifying for a certification that is a prerequisite for being licensed. Section 42 also authorizes the Division to issue a temporary student license, which authorizes an unlicensed person to engage in radiation therapy or radiologic imaging for compensation for the purpose of qualifying for certification that is a prerequisite for being licensed.

Sections 44 and 45 of this bill prescribe the required qualifications to perform computed tomography and fluoroscopy, respectively. Section 43 of this bill authorizes unlicensed persons who register with the Division and meet certain other requirements to take X-ray photographs at certain federally-qualified health centers or rural health clinics. Section 43 also authorizes a person who is employed performing fradiation therapy, radiologie

<del>imaging,]</del> computed tomography or fluoroscopy to continue to do so without obtaining a license from the Division if he or she registers with the Division and meets certain other requirements.

Existing law prohibits a person from operating a radiation machine for mammography unless the person holds a certificate to do so or is a licensed physician or physician assistant. (NRS 457.183) [Section 76 of this bill repeals this provision, and section 46 of this bill enacts a similar provision that also requires a person to be licensed to engage in radiation therapy and radiologic imaging before obtaining a certificate. Although section 32 exempts physicians from the requirement to be licensed and certified before operating a radiation machine for mammography, this exemption does not apply physician assistants. Therefore, section 46 requires a physician assistant to be licensed to engage in radiation therapy and radiologic imaging and certified to operate a radiation machine for mammography before operating such a machine. Sections 4-7 of this bill make conforming changes.] Section 4.5 exempts an applicant for such a certificate who also holds a license to engage in radiation therapy and radiologic imaging or a limited license to engage in radiologic imaging from the requirement to pay an application fee. Section 6 of this bill makes a conforming change.

Section 47 of this bill authorizes the Division to: (1) enter and inspect any private or public property for the purpose of enforcing the provisions of this bill governing radiation therapy and radiologic imaging; and (2) request any information necessary to ensure that persons engaged in radiation therapy and radiologic imaging meet applicable requirements. Sections 19 and 47 of this bill provide for the confidentiality of such information and reports of inspections. Section 48 of this bill: (1) prescribes the grounds for disciplinary (2) authorizes a person whose license [1] or limited license [or certificate] has been revoked to apply to the Division for reinstatement after 2 years. Section 49 of this bill requires the Division to: (1) investigate a complaint filed against a licensee; and (2) provide a licensee against whom disciplinary action may be imposed with the opportunity for a hearing. Section 51 of this bill authorizes the Division to seek an injunction to prevent a violation of provisions of this bill governing the licensing and regulation of persons who engage in radiation therapy or radiologic imaging. Sections 35, 41, [43,] 44 and 45 [and 46] make it a misdemeanor to engage in radiation therapy, radiologic imaging or other activity for which a credential is required without the proper credential.

Section 33 of this bill creates the Radiation Therapy and Radiologic Imaging Advisory Committee to advise the State Board of Health, the Division and the Legislature concerning radiation therapy and radiologic imaging. Section 34 of this bill requires the Board to adopt certain regulations relating to radiation therapy and radiologic imaging, including regulations defining the scope of practice for radiologist assistants and the holders of licenses and limited licenses. Section 34 [prohibits the Board from adopting] requires those

standards of practice [more] to be at least as stringent [than] as those adopted by a national professional organization designated by the [Division] Board and recommended by the Committee. Section 33 requires the Committee to recommend a national professional organization for that purpose.

Existing law requires the Legislative Committee on Health Care to review each regulation that certain licensing entities adopt which relates to standards for the issuance or renewal of a license. (NRS 439B.225) Section 1 of this bill adds to the regulations reviewed by the Committee relating to the standards for the issuance of a license to engage in radiation therapy or radiologic imaging and a limited license to engage in radiologic imaging.

Existing law prohibits the Division from issuing or renewing the registration of a radiation machine unless the applicant attests that the radiologic technicians and nuclear medicine technicians employed by the applicant have knowledge of and are in compliance with certain guidelines for the prevention of transmission of infectious agents. (NRS 459.035) Section 8 of this bill deletes those provisions and instead requires the operator of a radiation machine to be properly licensed and in compliance with the provisions of this bill concerning radiation therapy and radiologic imaging [-] or be exempt pursuant to section 32. Section 35 requires a person to have knowledge of and be in compliance with [those] guidelines for the prevention and transmission of infectious agents.

Sections 10-18, 20, 52, 58 and 64-72 of this bill make conforming changes to treat holders of licenses and limited licenses similarly to other providers of health care in certain respects.

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

Section 1. NRS 439B.225 is hereby amended to read as follows:

- 439B.225 1. As used in this section, "licensing board" means any division or board empowered to adopt standards for the issuance or renewal of licenses, permits or certificates of registration pursuant to NRS 433.601 to 433.621, inclusive, 435.3305 to 435.339, inclusive, chapter 449, 625A, 630, 630A, 631, 632, 633, 634, 634A, 635, 636, 637, 637B, 639, 640, 640A, 640D, 641, 641A, 641B, 641C, 652 or 654 of NRS [.] or sections 22 to 51, inclusive, of this act.
- 2. The Committee shall review each regulation that a licensing board proposes or adopts that relates to standards for the issuance or renewal of licenses, permits or certificates of registration issued to a person or facility regulated by the board, giving consideration to:
- (a) Any oral or written comment made or submitted to it by members of the public or by persons or facilities affected by the regulation;
  - (b) The effect of the regulation on the cost of health care in this State;
- (c) The effect of the regulation on the number of licensed, permitted or registered persons and facilities available to provide services in this State; and
  - (d) Any other related factor the Committee deems appropriate.

- 3. After reviewing a proposed regulation, the Committee shall notify the agency of the opinion of the Committee regarding the advisability of adopting or revising the proposed regulation.
- 4. The Committee shall recommend to the Legislature as a result of its review of regulations pursuant to this section any appropriate legislation.
  - Sec. 2. NRS 454.213 is hereby amended to read as follows:
- 454.213 1. Except as otherwise provided in NRS 454.217, a drug or medicine referred to in NRS 454.181 to 454.371, inclusive, may be possessed and administered by:
  - (a) A practitioner.
- (b) A physician assistant licensed pursuant to chapter 630 or 633 of NRS, at the direction of his or her supervising physician or a licensed dental hygienist acting in the office of and under the supervision of a dentist.
- (c) Except as otherwise provided in paragraph (d), a registered nurse licensed to practice professional nursing or licensed practical nurse, at the direction of a prescribing physician, physician assistant licensed pursuant to chapter 630 or 633 of NRS, dentist, podiatric physician or advanced practice registered nurse, or pursuant to a chart order, for administration to a patient at another location.
- (d) In accordance with applicable regulations of the Board, a registered nurse licensed to practice professional nursing or licensed practical nurse who is:
- (1) Employed by a health care agency or health care facility that is authorized to provide emergency care, or to respond to the immediate needs of a patient, in the residence of the patient; and
- (2) Acting under the direction of the medical director of that agency or facility who works in this State.
- (e) A medication aide certified at a designated facility under the supervision of an advanced practice registered nurse or registered nurse and in accordance with standard protocols developed by the State Board of Nursing. As used in this paragraph, "designated facility" has the meaning ascribed to it in NRS 632.0145.
- (f) Except as otherwise provided in paragraph (g), an advanced emergency medical technician or a paramedic, as authorized by regulation of the State Board of Pharmacy and in accordance with any applicable regulations of:
- (1) The State Board of Health in a county whose population is less than 100,000;
- (2) A county board of health in a county whose population is 100,000 or more; or
- (3) A district board of health created pursuant to NRS 439.362 or 439.370 in any county.
- (g) An advanced emergency medical technician or a paramedic who holds an endorsement issued pursuant to NRS 450B.1975, under the direct supervision of a local health officer or a designee of the local health officer pursuant to that section.

- (h) A respiratory therapist employed in a health care facility. The therapist may possess and administer respiratory products only at the direction of a physician.
- (i) A dialysis technician, under the direction or supervision of a physician or registered nurse only if the drug or medicine is used for the process of renal dialysis.
- (j) A medical student or student nurse in the course of his or her studies at an accredited college of medicine or approved school of professional or practical nursing, at the direction of a physician and:
  - (1) In the presence of a physician or a registered nurse; or
- (2) Under the supervision of a physician or a registered nurse if the student is authorized by the college or school to administer the drug or medicine outside the presence of a physician or nurse.
- → A medical student or student nurse may administer a dangerous drug in the presence or under the supervision of a registered nurse alone only if the circumstances are such that the registered nurse would be authorized to administer it personally.
  - (k) Any person designated by the head of a correctional institution.
- (1) An ultimate user or any person designated by the ultimate user pursuant to a written agreement.
- (m) A [nuclear medicine technologist,] holder of a license to engage in radiation therapy and radiologic imaging issued pursuant to sections 22 to 51, inclusive, of this act, at the direction of a physician and in accordance with any conditions established by regulation of the Board.
- (n) [A radiologic technologist, at the direction of a physician and in accordance with any conditions established by regulation of the Board.
- —(o)] A chiropractic physician, but only if the drug or medicine is a topical drug used for cooling and stretching external tissue during therapeutic treatments.
- [(p)] (o) A physical therapist, but only if the drug or medicine is a topical drug which is:
- (1) Used for cooling and stretching external tissue during therapeutic treatments; and
  - (2) Prescribed by a licensed physician for:
    - (I) Iontophoresis; or
  - (II) The transmission of drugs through the skin using ultrasound.
- [(q)] (p) In accordance with applicable regulations of the State Board of Health, an employee of a residential facility for groups, as defined in NRS 449.017, pursuant to a written agreement entered into by the ultimate user.
- $\frac{\{(r)\}}{\{(q)\}}$  A veterinary technician or a veterinary assistant at the direction of his or her supervising veterinarian.
- $\frac{\{(s)\}}{(r)}$  In accordance with applicable regulations of the Board, a registered pharmacist who:

- (1) Is trained in and certified to carry out standards and practices for immunization programs;
- (2) Is authorized to administer immunizations pursuant to written protocols from a physician; and
- (3) Administers immunizations in compliance with the "Standards for Immunization Practices" recommended and approved by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention.
- [(t)] (s) A registered pharmacist pursuant to written guidelines and protocols developed and approved pursuant to NRS 639.2809 or a collaborative practice agreement, as defined in NRS 639.0052.
- $\{(u)\}$  (t) A person who is enrolled in a training program to become a physician assistant licensed pursuant to chapter 630 or 633 of NRS, dental hygienist, advanced emergency medical technician, paramedic, respiratory therapist, dialysis technician, <del>[nuclear medicine technologist, radiologie</del> technologist, physical therapist or veterinary technician or to obtain a license to engage in radiation therapy and radiologic imaging pursuant to sections 22 to 51, inclusive, of this act if the person possesses and administers the drug or medicine in the same manner and under the same conditions that apply, respectively, to a physician assistant licensed pursuant to chapter 630 or 633 of NRS, dental hygienist, advanced emergency medical technician, paramedic, respiratory therapist, dialysis technician, [nuclear medicine technologist, radiologic technologist, physical therapist, for veterinary technician or person licensed to engage in radiation therapy and radiologic imaging who may possess and administer the drug or medicine, and under the direct supervision of a person licensed or registered to perform the respective medical art or a supervisor of such a person.
- $\frac{\{(v)\}}{(u)}$  A medical assistant, in accordance with applicable regulations of the:
- (1) Board of Medical Examiners, at the direction of the prescribing physician and under the supervision of a physician or physician assistant.
- (2) State Board of Osteopathic Medicine, at the direction of the prescribing physician and under the supervision of a physician or physician assistant.
- 2. As used in this section, "accredited college of medicine" has the meaning ascribed to it in NRS 453.375.
  - Sec. 3. NRS 454.361 is hereby amended to read as follows:
- 454.361 A conviction of the violation of any of the provisions of NRS 454.181 to 454.371, inclusive, constitutes grounds for the suspension or revocation of any license issued to such person pursuant to the provisions of chapters 630, 631, 633, 635, 636, 638 or 639 of NRS [-] or sections 22 to 51, inclusive, of this act.
  - Sec. 4. [NRS 457.065 is hereby amended to read as follows:

- <u>457.065</u> The State Board of Health shall adopt regulations for the administration of this chapter which include, without limitation, standards for the I:
- —1. Training and performance of a person who operates a radiation machine for mammography which are at least as stringent as the requirements for accreditation established by the American College of Radiology.
- 2. Inspection] *inspection* and authorization of a radiation machine for mammography which are at least as stringent as the requirements for accreditation established by the American College of Radiology.] (Deleted by amendment.)
  - Sec. 4.5. NRS 457.183 is hereby amended to read as follows:
- 457.183 1. A person shall not operate a radiation machine for mammography unless the person:
- (a) Has a certificate of authorization to operate a radiation machine issued by the Division; or
  - (b) Is licensed pursuant to chapter 630 or 633 of NRS.
- 2. To obtain a certificate of authorization to operate a radiation machine for mammography, a person must:
- (a) Submit an application to the Division on a form provided by the Division and provide any additional information required by the Division;
- (b) Be certified by the American Registry of Radiologic Technologists or meet the standards established by the Division pursuant to subsection 1 of NRS 457.065;
- (c) Pass an examination if the Division determines that an examination for certification is necessary to protect the health and safety of the residents of this State:
  - (d) Submit the statement required pursuant to NRS 457.1833; and
- (e) [Pay] <u>Except as otherwise provided in subsection 4, pay</u> the fee required by the Division, which must be calculated to cover the administrative costs directly related to the process of issuing the certificates.
- 3. An application for the issuance of a certificate of authorization to operate a radiation machine for mammography must include the social security number of the applicant.
- 4. An applicant for the issuance or renewal of a certificate to operate a radiation machine for mammography is not required to pay a fee pursuant to paragraph (e) of subsection 2 or subsection 6, as applicable, if the applicant holds a license or limited license issued pursuant to sections 22 to 51, inclusive, of this act.
- <u>5.</u> The Division shall certify a person to operate a radiation machine for mammography if the person complies with the provisions of subsection 2 and meets the standards adopted pursuant to subsection 1 of NRS 457.065.
- [5.] 6. A certificate of authorization to operate a radiation machine for mammography expires 3 years after the date on which it was issued unless it is renewed before that date. [The] Except as otherwise provided in subsection 4, the Division shall require continuing education as a prerequisite

- to the renewal of a certificate and shall charge a fee for renewal that is calculated to cover the administrative costs directly related to the renewal of a certificate.
- [6.] 7. A person who is certified to operate a radiation machine for mammography pursuant to this section shall not operate such a machine without a valid certificate of authorization issued pursuant to NRS 457.184 for the machine.
  - Sec. 5. [NRS 457.184 is hereby amended to read as follows:
- 457.184 1. The owner, lessee or other responsible person shall not [operate or] allow to be operated a radiation machine for mammography unless [he or she:]:
- (a) [Has] The owner, lessee or other responsible person has a valid certificate of authorization from the Division for the machine; and
- (b) [Is] *The machine is* accredited by the American College of Radiology or meets the standards established by the State Board of Health pursuant to [subsection 2 of] NRS 457.065.
- 2. To obtain a certificate of authorization from the Division for a radiation machine for mammography, a person must:
- (a) Submit an application to the Division on a form provided by the Division:
- (b) Provide any additional information required by the Division; and
- (e) Pay the fee required by the Division which must be calculated to cover the administrative costs directly related to the process of issuing the certificates.
- 3. After an inspection, the Division shall issue a certificate of authorization for a radiation machine for mammography if the machine:
- (a) Meets the standards adopted by the State Board of Health pursuant to Isubsection 2 of NRS 457.065:
- (b) Is specifically designed to perform mammography; and
- (c) Is used to perform mammography and may be used for screening diagnostic or therapeutic purposes.
- 4. A certificate of authorization for a radiation machine for mammography expires 1 year after the date on which it was issued unless renewed before that date. The Division may require an inspection of the machine as a prerequisite to renewal of a certificate and shall charge a fee for renewal that is calculated to cover the administrative costs directly related to the process of renewing certificates.
- 5. A person who owns or leases or is otherwise responsible for more than one radiation machine for mammography shall obtain a certificate of authorization for each radiation machine.] (Deleted by amendment.)
  - Sec. 6. NRS 457.185 is hereby amended to read as follows:
- 457.185 1. The Division shall grant or deny an application for  $\underline{\mathbf{a}}$  certificate of authorization to operate a radiation machine for mammography  $\underline{\mathbf{or}}$  a certificate of authorization for a radiation machine for mammography within 4 months after receipt of a complete application.

- 2. <u>The Division shall withdraw the certificate of authorization to operate a radiation machine for mammography if it finds that the person violated the provisions of subsection [6] 7 of NRS 457.183.</u>
- <u>3.</u> The Division shall deny or withdraw the certificate of authorization of a radiation machine for mammography if it finds that the owner, lessee or other responsible person violated the provisions of subsection 1 of NRS 457.184.
- <u>4.</u> [3.] If a certificate of authorization to operate a radiation machine for mammography or a certificate of authorization for a radiation machine for mammography is withdrawn, a person must apply for the certificate in the manner provided for an initial certificate.
  - Sec. 7. [NRS 457.186 is hereby amended to read as follows:
- 457.186 Upon request, the Division shall hold an administrative hearing concerning the denial or withdrawal of an application for [a certificate of authorization to operate a radiation machine for mammography or] a certificate of authorization for a radiation machine for mammography.] (Deleted by amendment.)
  - Sec. 8. NRS 459.035 is hereby amended to read as follows:
- 459.035 The Division shall not issue or renew the registration of a radiation machine pursuant to regulations adopted by the State Board of Health unless the applicant for issuance or renewal of the registration attests that the [radiologic technologists and nuclear medicine technologists] persons employed by the applicant [have knowledge of and are in compliance with the guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices.] to operate the radiation machine are properly licensed pursuant to sections 22 to 51, inclusive, of this act [--] or are exempt from the requirement to obtain such licensure pursuant to section 32 of this act.
  - Sec. 9. NRS 459.260 is hereby amended to read as follows:
- 459.260 1. The Division may suspend, revoke or amend a license or registration issued pursuant to NRS 459.201 to a person who has violated any provision of NRS 459.010 to 459.290, inclusive, or any rule, regulation or order issued pursuant thereto.
- 2. In the event of an emergency, the Division may impound, or order the impounding of, sources of ionizing radiation in the possession of any person who is not equipped to observe, or who fails to observe, any provision of NRS 459.010 to 459.290, inclusive, or any rules or regulations issued under NRS 459.010 to 459.290, inclusive.
  - Sec. 10. NRS 7.095 is hereby amended to read as follows:
- 7.095 1. An attorney shall not contract for or collect a fee contingent on the amount of recovery for representing a person seeking damages in connection with an action for injury or death against a provider of health care based upon professional negligence in excess of:
  - (a) Forty percent of the first \$50,000 recovered;
  - (b) Thirty-three and one-third percent of the next \$50,000 recovered;
  - (c) Twenty-five percent of the next \$500,000 recovered; and

- (d) Fifteen percent of the amount of recovery that exceeds \$600,000.
- 2. The limitations set forth in subsection 1 apply to all forms of recovery, including, without limitation, settlement, arbitration and judgment.
- 3. For the purposes of this section, "recovered" means the net sum recovered by the plaintiff after deducting any disbursements or costs incurred in connection with the prosecution or settlement of the claim. Costs of medical care incurred by the plaintiff and general and administrative expenses incurred by the office of the attorney are not deductible disbursements or costs.
  - 4. As used in this section:
- (a) "Professional negligence" means a negligent act or omission to act by a provider of health care in the rendering of professional services, which act or omission is the proximate cause of a personal injury or wrongful death. The term does not include services that are outside the scope of services for which the provider of health care is licensed or services for which any restriction has been imposed by the applicable regulatory board or health care facility.
- (b) "Provider of health care" means a physician licensed under chapter 630 or 633 of NRS, dentist, registered nurse, dispensing optician, optometrist, registered physical therapist, podiatric physician, licensed psychologist, chiropractor, doctor of Oriental medicine, holder of a license or a limited license issued under the provisions of sections 22 to 51, inclusive, of this act, medical laboratory director or technician, licensed dietitian or a licensed hospital and its employees.
  - Sec. 11. NRS 41A.017 is hereby amended to read as follows:
- 41A.017 "Provider of health care" means a physician licensed pursuant to chapter 630 or 633 of NRS, physician assistant, dentist, licensed nurse, dispensing optician, optometrist, registered physical therapist, podiatric physician, licensed psychologist, chiropractor, doctor of Oriental medicine, holder of a license or a limited license issued under the provisions of sections 22 to 51, inclusive, of this act, medical laboratory director or technician, licensed dietitian or a licensed hospital, clinic, surgery center, physicians' professional corporation or group practice that employs any such person and its employees.
  - Sec. 12. NRS 42.021 is hereby amended to read as follows:
- 42.021 1. In an action for injury or death against a provider of health care based upon professional negligence, if the defendant so elects, the defendant may introduce evidence of any amount payable as a benefit to the plaintiff as a result of the injury or death pursuant to the United States Social Security Act, any state or federal income disability or worker's compensation act, any health, sickness or income-disability insurance, accident insurance that provides health benefits or income-disability coverage, and any contract or agreement of any group, organization, partnership or corporation to provide, pay for or reimburse the cost of medical, hospital, dental or other health care services. If the defendant elects to introduce such evidence, the plaintiff may introduce evidence of any amount that the plaintiff has paid or contributed to

secure the plaintiff's right to any insurance benefits concerning which the defendant has introduced evidence.

- 2. A source of collateral benefits introduced pursuant to subsection 1 may not:
  - (a) Recover any amount against the plaintiff; or
  - (b) Be subrogated to the rights of the plaintiff against a defendant.
- 3. In an action for injury or death against a provider of health care based upon professional negligence, a district court shall, at the request of either party, enter a judgment ordering that money damages or its equivalent for future damages of the judgment creditor be paid in whole or in part by periodic payments rather than by a lump-sum payment if the award equals or exceeds \$50,000 in future damages.
- 4. In entering a judgment ordering the payment of future damages by periodic payments pursuant to subsection 3, the court shall make a specific finding as to the dollar amount of periodic payments that will compensate the judgment creditor for such future damages. As a condition to authorizing periodic payments of future damages, the court shall require a judgment debtor who is not adequately insured to post security adequate to assure full payment of such damages awarded by the judgment. Upon termination of periodic payments of future damages, the court shall order the return of this security, or so much as remains, to the judgment debtor.
- 5. A judgment ordering the payment of future damages by periodic payments entered pursuant to subsection 3 must specify the recipient or recipients of the payments, the dollar amount of the payments, the interval between payments, and the number of payments or the period of time over which payments will be made. Such payments must only be subject to modification in the event of the death of the judgment creditor. Money damages awarded for loss of future earnings must not be reduced or payments terminated by reason of the death of the judgment creditor, but must be paid to persons to whom the judgment creditor owed a duty of support, as provided by law, immediately before the judgment creditor's death. In such cases, the court that rendered the original judgment may, upon petition of any party in interest, modify the judgment to award and apportion the unpaid future damages in accordance with this subsection.
- 6. If the court finds that the judgment debtor has exhibited a continuing pattern of failing to make the periodic payments as specified pursuant to subsection 5, the court shall find the judgment debtor in contempt of court and, in addition to the required periodic payments, shall order the judgment debtor to pay the judgment creditor all damages caused by the failure to make such periodic payments, including, but not limited to, court costs and attorney's fees.
- 7. Following the occurrence or expiration of all obligations specified in the periodic payment judgment, any obligation of the judgment debtor to make further payments ceases and any security given pursuant to subsection 4 reverts to the judgment debtor.
  - 8. As used in this section:

- (a) "Future damages" includes damages for future medical treatment, care or custody, loss of future earnings, loss of bodily function, or future pain and suffering of the judgment creditor.
- (b) "Periodic payments" means the payment of money or delivery of other property to the judgment creditor at regular intervals.
- (c) "Professional negligence" means a negligent act or omission to act by a provider of health care in the rendering of professional services, which act or omission is the proximate cause of a personal injury or wrongful death. The term does not include services that are outside the scope of services for which the provider of health care is licensed or services for which any restriction has been imposed by the applicable regulatory board or health care facility.
- (d) "Provider of health care" means a physician licensed under chapter 630 or 633 of NRS, dentist, licensed nurse, dispensing optician, optometrist, registered physical therapist, podiatric physician, licensed psychologist, chiropractor, doctor of Oriental medicine, holder of a license or a limited license issued under the provisions of sections 22 to 51, inclusive, of this act, medical laboratory director or technician, licensed dietitian or a licensed hospital and its employees.
  - Sec. 13. NRS 200.471 is hereby amended to read as follows:
  - 200.471 1. As used in this section:
  - (a) "Assault" means:
- (1) Unlawfully attempting to use physical force against another person; or
- (2) Intentionally placing another person in reasonable apprehension of immediate bodily harm.
  - (b) "Fire-fighting agency" has the meaning ascribed to it in NRS 239B.020.
  - (c) "Officer" means:
  - (1) A person who possesses some or all of the powers of a peace officer;
- (2) A person employed in a full-time salaried occupation of fire fighting for the benefit or safety of the public;
  - (3) A member of a volunteer fire department;
  - (4) A jailer, guard or other correctional officer of a city or county jail;
- (5) A justice of the Supreme Court, judge of the Court of Appeals, district judge, justice of the peace, municipal judge, magistrate, court commissioner, master or referee, including a person acting pro tempore in a capacity listed in this subparagraph;
- (6) An employee of this State or a political subdivision of this State whose official duties require the employee to make home visits;
- (7) A civilian employee or a volunteer of a law enforcement agency whose official duties require the employee or volunteer to:
  - (I) Interact with the public;
  - (II) Perform tasks related to law enforcement; and
- (III) Wear identification, clothing or a uniform that identifies the employee or volunteer as working or volunteering for the law enforcement agency;

- (8) A civilian employee or a volunteer of a fire-fighting agency whose official duties require the employee or volunteer to:
  - (I) Interact with the public;
  - (II) Perform tasks related to fire fighting or fire prevention; and
- (III) Wear identification, clothing or a uniform that identifies the employee or volunteer as working or volunteering for the fire-fighting agency; or
- (9) A civilian employee or volunteer of this State or a political subdivision of this State whose official duties require the employee or volunteer to:
  - (I) Interact with the public;
  - (II) Perform tasks related to code enforcement; and
- (III) Wear identification, clothing or a uniform that identifies the employee or volunteer as working or volunteering for this State or a political subdivision of this State.
- (d) "Provider of health care" means a physician, a medical student, a perfusionist or a physician assistant licensed pursuant to chapter 630 of NRS, a practitioner of respiratory care, a homeopathic physician, an advanced practitioner of homeopathy, a homeopathic assistant, an osteopathic physician, a physician assistant licensed pursuant to chapter 633 of NRS, a podiatric physician, a podiatry hygienist, a physical therapist, a medical laboratory technician, an optometrist, a chiropractor, a chiropractor's assistant, a doctor of Oriental medicine, a nurse, a student nurse, a certified nursing assistant, a nursing assistant trainee, a medication aide - certified, a dentist, a dental student, a dental hygienist, a dental hygienist student, a pharmacist, a pharmacy student, an intern pharmacist, an attendant on an ambulance or air ambulance, a psychologist, a social worker, a marriage and family therapist, a marriage and family therapist intern, a clinical professional counselor, a clinical professional counselor intern, a licensed dietitian, the holder of a license or a limited license issued under the provisions of sections 22 to 51, inclusive, of this act, an emergency medical technician, an advanced emergency medical technician and a paramedic.
- (e) "School employee" means a licensed or unlicensed person employed by a board of trustees of a school district pursuant to NRS 391.100 or 391.281.
  - (f) "Sporting event" has the meaning ascribed to it in NRS 41.630.
  - (g) "Sports official" has the meaning ascribed to it in NRS 41.630.
  - (h) "Taxicab" has the meaning ascribed to it in NRS 706.8816.
  - (i) "Taxicab driver" means a person who operates a taxicab.
- (j) "Transit operator" means a person who operates a bus or other vehicle as part of a public mass transportation system.
  - 2. A person convicted of an assault shall be punished:
- (a) If paragraph (c) or (d) does not apply to the circumstances of the crime and the assault is not made with the use of a deadly weapon or the present ability to use a deadly weapon, for a misdemeanor.

- (b) If the assault is made with the use of a deadly weapon or the present ability to use a deadly weapon, for a category B felony by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than \$5,000, or by both fine and imprisonment.
- (c) If paragraph (d) does not apply to the circumstances of the crime and if the assault is committed upon an officer, a provider of health care, a school employee, a taxicab driver or a transit operator who is performing his or her duty or upon a sports official based on the performance of his or her duties at a sporting event and the person charged knew or should have known that the victim was an officer, a provider of health care, a school employee, a taxicab driver, a transit operator or a sports official, for a gross misdemeanor, unless the assault is made with the use of a deadly weapon or the present ability to use a deadly weapon, then for a category B felony by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than \$5,000, or by both fine and imprisonment.
- (d) If the assault is committed upon an officer, a provider of health care, a school employee, a taxicab driver or a transit operator who is performing his or her duty or upon a sports official based on the performance of his or her duties at a sporting event by a probationer, a prisoner who is in lawful custody or confinement or a parolee, and the probationer, prisoner or parolee charged knew or should have known that the victim was an officer, a provider of health care, a school employee, a taxicab driver, a transit operator or a sports official, for a category D felony as provided in NRS 193.130, unless the assault is made with the use of a deadly weapon or the present ability to use a deadly weapon, then for a category B felony by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than \$5,000, or by both fine and imprisonment.
  - Sec. 14. NRS 200.5093 is hereby amended to read as follows:
- 200.5093 1. Any person who is described in subsection 4 and who, in a professional or occupational capacity, knows or has reasonable cause to believe that an older person has been abused, neglected, exploited, isolated or abandoned shall:
- (a) Except as otherwise provided in subsection 2, report the abuse, neglect, exploitation, isolation or abandonment of the older person to:
- (1) The local office of the Aging and Disability Services Division of the Department of Health and Human Services;
  - (2) A police department or sheriff's office; or
- (3) A toll-free telephone service designated by the Aging and Disability Services Division of the Department of Health and Human Services; and
- (b) Make such a report as soon as reasonably practicable but not later than 24 hours after the person knows or has reasonable cause to believe that the older person has been abused, neglected, exploited, isolated or abandoned.

- 2. If a person who is required to make a report pursuant to subsection 1 knows or has reasonable cause to believe that the abuse, neglect, exploitation, isolation or abandonment of the older person involves an act or omission of the Aging and Disability Services Division, another division of the Department of Health and Human Services or a law enforcement agency, the person shall make the report to an agency other than the one alleged to have committed the act or omission.
- 3. Each agency, after reducing a report to writing, shall forward a copy of the report to the Aging and Disability Services Division of the Department of Health and Human Services and the Unit for the Investigation and Prosecution of Crimes.
- 4. A report must be made pursuant to subsection 1 by the following persons:
- (a) Every physician, dentist, dental hygienist, chiropractor, optometrist, podiatric physician, medical examiner, resident, intern, professional or practical nurse, physician assistant licensed pursuant to chapter 630 or 633 of NRS, perfusionist, psychiatrist, psychologist, marriage and family therapist, clinical professional counselor, clinical alcohol and drug abuse counselor, alcohol and drug abuse counselor, music therapist, athletic trainer, driver of an ambulance, paramedic, licensed dietitian , holder of a license or a limited license issued under the provisions of sections 22 to 51, inclusive, of this act or other person providing medical services licensed or certified to practice in this State, who examines, attends or treats an older person who appears to have been abused, neglected, exploited, isolated or abandoned.
- (b) Any personnel of a hospital or similar institution engaged in the admission, examination, care or treatment of persons or an administrator, manager or other person in charge of a hospital or similar institution upon notification of the suspected abuse, neglect, exploitation, isolation or abandonment of an older person by a member of the staff of the hospital.
  - (c) A coroner.
- (d) Every person who maintains or is employed by an agency to provide personal care services in the home.
- (e) Every person who maintains or is employed by an agency to provide nursing in the home.
- (f) Every person who operates, who is employed by or who contracts to provide services for an intermediary service organization as defined in NRS 449.4304.
- (g) Any employee of the Department of Health and Human Services, except the State Long-Term Care Ombudsman appointed pursuant to NRS 427A.125 and any of his or her advocates or volunteers where prohibited from making such a report pursuant to 45 C.F.R. § 1321.11.
- (h) Any employee of a law enforcement agency or a county's office for protective services or an adult or juvenile probation officer.
- (i) Any person who maintains or is employed by a facility or establishment that provides care for older persons.

- (j) Any person who maintains, is employed by or serves as a volunteer for an agency or service which advises persons regarding the abuse, neglect, exploitation, isolation or abandonment of an older person and refers them to persons and agencies where their requests and needs can be met.
  - (k) Every social worker.
  - (1) Any person who owns or is employed by a funeral home or mortuary.
- (m) Every person who operates or is employed by a peer support recovery organization, as defined in NRS 449.01563.
- (n) Every person who operates or is employed by a community health worker pool, as defined in NRS 449.0028, or with whom a community health worker pool contracts to provide the services of a community health worker, as defined in NRS 449.0027.
  - 5. A report may be made by any other person.
- 6. If a person who is required to make a report pursuant to subsection 1 knows or has reasonable cause to believe that an older person has died as a result of abuse, neglect, isolation or abandonment, the person shall, as soon as reasonably practicable, report this belief to the appropriate medical examiner or coroner, who shall investigate the cause of death of the older person and submit to the appropriate local law enforcement agencies, the appropriate prosecuting attorney, the Aging and Disability Services Division of the Department of Health and Human Services and the Unit for the Investigation and Prosecution of Crimes his or her written findings. The written findings must include the information required pursuant to the provisions of NRS 200.5094, when possible.
- 7. A division, office or department which receives a report pursuant to this section shall cause the investigation of the report to commence within 3 working days. A copy of the final report of the investigation conducted by a division, office or department, other than the Aging and Disability Services Division of the Department of Health and Human Services, must be forwarded within 30 days after the completion of the report to the:
  - (a) Aging and Disability Services Division;
- (b) Repository for Information Concerning Crimes Against Older Persons created by NRS 179A.450; and
  - (c) Unit for the Investigation and Prosecution of Crimes.
- 8. If the investigation of a report results in the belief that an older person is abused, neglected, exploited, isolated or abandoned, the Aging and Disability Services Division of the Department of Health and Human Services or the county's office for protective services may provide protective services to the older person if the older person is able and willing to accept them.
- 9. A person who knowingly and willfully violates any of the provisions of this section is guilty of a misdemeanor.
- 10. As used in this section, "Unit for the Investigation and Prosecution of Crimes" means the Unit for the Investigation and Prosecution of Crimes Against Older Persons in the Office of the Attorney General created pursuant to NRS 228.265.

- Sec. 15. NRS 200.50935 is hereby amended to read as follows:
- 200.50935 1. Any person who is described in subsection 3 and who, in a professional or occupational capacity, knows or has reasonable cause to believe that a vulnerable person has been abused, neglected, exploited, isolated or abandoned shall:
- (a) Report the abuse, neglect, exploitation, isolation or abandonment of the vulnerable person to a law enforcement agency; and
- (b) Make such a report as soon as reasonably practicable but not later than 24 hours after the person knows or has reasonable cause to believe that the vulnerable person has been abused, neglected, exploited, isolated or abandoned.
- 2. If a person who is required to make a report pursuant to subsection 1 knows or has reasonable cause to believe that the abuse, neglect, exploitation, isolation or abandonment of the vulnerable person involves an act or omission of a law enforcement agency, the person shall make the report to a law enforcement agency other than the one alleged to have committed the act or omission.
- 3. A report must be made pursuant to subsection 1 by the following persons:
- (a) Every physician, dentist, dental hygienist, chiropractor, optometrist, podiatric physician, medical examiner, resident, intern, professional or practical nurse, perfusionist, physician assistant licensed pursuant to chapter 630 or 633 of NRS, psychiatrist, psychologist, marriage and family therapist, clinical professional counselor, clinical alcohol and drug abuse counselor, alcohol and drug abuse counselor, music therapist, athletic trainer, driver of an ambulance, paramedic, licensed dietitian, holder of a license or a limited license issued under the provisions of sections 22 to 51, inclusive, of this act or other person providing medical services licensed or certified to practice in this State, who examines, attends or treats a vulnerable person who appears to have been abused, neglected, exploited, isolated or abandoned.
- (b) Any personnel of a hospital or similar institution engaged in the admission, examination, care or treatment of persons or an administrator, manager or other person in charge of a hospital or similar institution upon notification of the suspected abuse, neglect, exploitation, isolation or abandonment of a vulnerable person by a member of the staff of the hospital.
  - (c) A coroner.
- (d) Every person who maintains or is employed by an agency to provide nursing in the home.
  - (e) Any employee of the Department of Health and Human Services.
- (f) Any employee of a law enforcement agency or an adult or juvenile probation officer.
- (g) Any person who maintains or is employed by a facility or establishment that provides care for vulnerable persons.
- (h) Any person who maintains, is employed by or serves as a volunteer for an agency or service which advises persons regarding the abuse, neglect,

exploitation, isolation or abandonment of a vulnerable person and refers them to persons and agencies where their requests and needs can be met.

- (i) Every social worker.
- (j) Any person who owns or is employed by a funeral home or mortuary.
- 4. A report may be made by any other person.
- 5. If a person who is required to make a report pursuant to subsection 1 knows or has reasonable cause to believe that a vulnerable person has died as a result of abuse, neglect, isolation or abandonment, the person shall, as soon as reasonably practicable, report this belief to the appropriate medical examiner or coroner, who shall investigate the cause of death of the vulnerable person and submit to the appropriate local law enforcement agencies and the appropriate prosecuting attorney his or her written findings. The written findings must include the information required pursuant to the provisions of NRS 200.5094, when possible.
- 6. A law enforcement agency which receives a report pursuant to this section shall immediately initiate an investigation of the report.
- 7. A person who knowingly and willfully violates any of the provisions of this section is guilty of a misdemeanor.
  - Sec. 16. NRS 200.5095 is hereby amended to read as follows:
- 200.5095 1. Reports made pursuant to NRS 200.5093, 200.50935 and 200.5094, and records and investigations relating to those reports, are confidential.
- 2. A person, law enforcement agency or public or private agency, institution or facility who willfully releases data or information concerning the reports and investigation of the abuse, neglect, exploitation, isolation or abandonment of older persons or vulnerable persons, except:
  - (a) Pursuant to a criminal prosecution;
  - (b) Pursuant to NRS 200.50982; or
  - (c) To persons or agencies enumerated in subsection 3,
- → is guilty of a misdemeanor.
- 3. Except as otherwise provided in subsection 2 and NRS 200.50982, data or information concerning the reports and investigations of the abuse, neglect, exploitation, isolation or abandonment of an older person or a vulnerable person is available only to:
- (a) A physician who is providing care to an older person or a vulnerable person who may have been abused, neglected, exploited, isolated or abandoned;
- (b) An agency responsible for or authorized to undertake the care, treatment and supervision of the older person or vulnerable person;
- (c) A district attorney or other law enforcement official who requires the information in connection with an investigation of the abuse, neglect, exploitation, isolation or abandonment of the older person or vulnerable person;
- (d) A court which has determined, in camera, that public disclosure of such information is necessary for the determination of an issue before it;

- (e) A person engaged in bona fide research, but the identity of the subjects of the report must remain confidential;
- (f) A grand jury upon its determination that access to such records is necessary in the conduct of its official business;
  - (g) Any comparable authorized person or agency in another jurisdiction;
- (h) A legal guardian of the older person or vulnerable person, if the identity of the person who was responsible for reporting the alleged abuse, neglect, exploitation, isolation or abandonment of the older person or vulnerable person to the public agency is protected, and the legal guardian of the older person or vulnerable person is not the person suspected of such abuse, neglect, exploitation, isolation or abandonment;
- (i) If the older person or vulnerable person is deceased, the executor or administrator of his or her estate, if the identity of the person who was responsible for reporting the alleged abuse, neglect, exploitation, isolation or abandonment of the older person or vulnerable person to the public agency is protected, and the executor or administrator is not the person suspected of such abuse, neglect, exploitation, isolation or abandonment; or
- (j) The older person or vulnerable person named in the report as allegedly being abused, neglected, exploited, isolated or abandoned, if that person is not legally incompetent.
- 4. If the person who is reported to have abused, neglected, exploited, isolated or abandoned an older person or a vulnerable person is the holder of a license or certificate issued pursuant to chapters 449, 630 to 641B, inclusive, or 654 of NRS, *or sections 22 to 51, inclusive, of this act*, the information contained in the report must be submitted to the board that issued the license.
- 5. If data or information concerning the reports and investigations of the abuse, neglect, exploitation, isolation or abandonment of an older person or a vulnerable person is made available pursuant to paragraph (b) or (j) of subsection 3 or subsection 4, the name and any other identifying information of the person who made the report must be redacted before the data or information is made available.
  - Sec. 17. NRS 200.810 is hereby amended to read as follows:
- 200.810 "Health care procedure" means any medical procedure, other than a surgical procedure, that requires a license to perform pursuant to chapters 630 to 637, inclusive, 639 or 640 of NRS  $\frac{1}{100}$  or sections 22 to 51, inclusive, of this act.
  - Sec. 18. NRS 200.820 is hereby amended to read as follows:
- 200.820 "Surgical procedure" means any invasive medical procedure where a break in the skin is created and there is contact with the mucosa or any minimally invasive medical procedure where a break in the skin is created or which involves manipulation of the internal body cavity beyond a natural or artificial body orifice which requires a license to perform pursuant to chapters 630 to 637, inclusive, 639 or 640 of NRS [-] or sections 22 to 51, inclusive, of this act.
  - Sec. 19. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.035, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 433.534, 433A.360, 437.145, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 445A.665, 445B.570, 449.209, 449.245, 449A.112, 450.140, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.365, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137. 624.110. 624.265. 624.327. 625.425. 625A.185. 628.418. 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.325, 641A.191, 641A.289, 641B.170, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, and section 47 of this act, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.
- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:

- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
  - Sec. 20. NRS 432B.220 is hereby amended to read as follows:
- 432B.220 1. Any person who is described in subsection 4 and who, in his or her professional or occupational capacity, knows or has reasonable cause to believe that a child has been abused or neglected shall:
- (a) Except as otherwise provided in subsection 2, report the abuse or neglect of the child to an agency which provides child welfare services or to a law enforcement agency; and
- (b) Make such a report as soon as reasonably practicable but not later than 24 hours after the person knows or has reasonable cause to believe that the child has been abused or neglected.
- 2. If a person who is required to make a report pursuant to subsection 1 knows or has reasonable cause to believe that the abuse or neglect of the child involves an act or omission of:
- (a) A person directly responsible or serving as a volunteer for or an employee of a public or private home, institution or facility where the child is receiving child care outside of the home for a portion of the day, the person shall make the report to a law enforcement agency.
- (b) An agency which provides child welfare services or a law enforcement agency, the person shall make the report to an agency other than the one alleged to have committed the act or omission, and the investigation of the abuse or neglect of the child must be made by an agency other than the one alleged to have committed the act or omission.
- 3. Any person who is described in paragraph (a) of subsection 4 who delivers or provides medical services to a newborn infant and who, in his or her professional or occupational capacity, knows or has reasonable cause to believe that the newborn infant has been affected by a fetal alcohol spectrum disorder or prenatal substance abuse or has withdrawal symptoms resulting from prenatal drug exposure shall, as soon as reasonably practicable but not later than 24 hours after the person knows or has reasonable cause to believe that the newborn infant is so affected or has such symptoms, notify an agency which provides child welfare services of the condition of the infant and refer each person who is responsible for the welfare of the infant to an agency which provides child welfare services for appropriate counseling, training or other services. A notification and referral to an agency which provides child welfare services pursuant to this subsection shall not be construed to require prosecution for any illegal action.
- 4. A report must be made pursuant to subsection 1 by the following persons:

- (a) A person providing services licensed or certified in this State pursuant to, without limitation, chapter 450B, 630, 630A, 631, 632, 633, 634, 634A, 635, 636, 637, 637B, 639, 640, 640A, 640B, 640C, 640D, 640E, 641A, 641B or 641C of NRS : or sections 22 to 51, inclusive, of this act.
- (b) Any personnel of a medical facility licensed pursuant to chapter 449 of NRS who are engaged in the admission, examination, care or treatment of persons or an administrator, manager or other person in charge of such a medical facility upon notification of suspected abuse or neglect of a child by a member of the staff of the medical facility.
  - (c) A coroner.
- (d) A member of the clergy, practitioner of Christian Science or religious healer, unless the person has acquired the knowledge of the abuse or neglect from the offender during a confession.
- (e) A person employed by a public school or private school and any person who serves as a volunteer at such a school.
- (f) Any person who maintains or is employed by a facility or establishment that provides care for children, children's camp or other public or private facility, institution or agency furnishing care to a child.
- (g) Any person licensed pursuant to chapter 424 of NRS to conduct a foster home.
- (h) Any officer or employee of a law enforcement agency or an adult or juvenile probation officer.
  - (i) Except as otherwise provided in NRS 432B.225, an attorney.
- (j) Any person who maintains, is employed by or serves as a volunteer for an agency or service which advises persons regarding abuse or neglect of a child and refers them to persons and agencies where their requests and needs can be met.
- (k) Any person who is employed by or serves as a volunteer for a youth shelter. As used in this paragraph, "youth shelter" has the meaning ascribed to it in NRS 244.427.
- (l) Any adult person who is employed by an entity that provides organized activities for children, including, without limitation, a person who is employed by a school district or public school.
  - 5. A report may be made by any other person.
- 6. If a person who is required to make a report pursuant to subsection 1 knows or has reasonable cause to believe that a child has died as a result of abuse or neglect, the person shall, as soon as reasonably practicable, report this belief to an agency which provides child welfare services or a law enforcement agency. If such a report is made to a law enforcement agency, the law enforcement agency shall notify an agency which provides child welfare services and the appropriate medical examiner or coroner of the report. If such a report is made to an agency which provides child welfare services, the agency which provides child welfare services shall notify the appropriate medical examiner or coroner of the report. The medical examiner or coroner who is notified of a report pursuant to this subsection shall investigate the report and

submit his or her written findings to the appropriate agency which provides child welfare services, the appropriate district attorney and a law enforcement agency. The written findings must include, if obtainable, the information required pursuant to the provisions of subsection 2 of NRS 432B.230.

- 7. The agency, board, bureau, commission, department, division or political subdivision of the State responsible for the licensure, certification or endorsement of a person who is described in subsection 4 and who is required in his or her professional or occupational capacity to be licensed, certified or endorsed in this State shall, at the time of initial licensure, certification or endorsement:
- (a) Inform the person, in writing or by electronic communication, of his or her duty as a mandatory reporter pursuant to this section;
- (b) Obtain a written acknowledgment or electronic record from the person that he or she has been informed of his or her duty pursuant to this section; and
- (c) Maintain a copy of the written acknowledgment or electronic record for as long as the person is licensed, certified or endorsed in this State.
- 8. The employer of a person who is described in subsection 4 and who is not required in his or her professional or occupational capacity to be licensed, certified or endorsed in this State must, upon initial employment of the person:
- (a) Inform the person, in writing or by electronic communication, of his or her duty as a mandatory reporter pursuant to this section;
- (b) Obtain a written acknowledgment or electronic record from the person that he or she has been informed of his or her duty pursuant to this section; and
- (c) Maintain a copy of the written acknowledgment or electronic record for as long as the person is employed by the employer.
- 9. Before a person may serve as a volunteer at a public school or private school, the school must:
- (a) Inform the person, in writing or by electronic communication, of his or her duty as a mandatory reporter pursuant to this section and NRS 392.303;
- (b) Obtain a written acknowledgment or electronic record from the person that he or she has been informed of his or her duty pursuant to this section and NRS 392.303; and
- (c) Maintain a copy of the written acknowledgment or electronic record for as long as the person serves as a volunteer at the school.
  - 10. As used in this section:
  - (a) "Private school" has the meaning ascribed to it in NRS 394.103.
  - (b) "Public school" has the meaning ascribed to it in NRS 385.007.
- Sec. 21. Title 54 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 22 to 51, inclusive, of this act.
- Sec. 22. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 23 to 31, inclusive, of this act have the meanings ascribed to them in those sections.
  - Sec. 23. "Board" means the State Board of Health.

- Sec. 24. ["Certificate" means a certificate of authorization to operate a radiation machine for mammography issued pursuant to section 46 of this act.] (Deleted by amendment.)
- Sec. 24.5. "Department" means the Department of Health and Human Services.
- Sec. 25. "Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.
- Sec. 26. "License" means a license to engage in radiation therapy and radiologic imaging issued pursuant to section 36, 38 or 39 of this act. The term does not include a limited license.
- Sec. 27. "Limited license" means a limited license to engage in radiologic imaging issued pursuant to section 37, 38 or 39 of this act.
  - Sec. 28. "Mammography" has the meaning ascribed to it in NRS 457.182.
- Sec. 29. "Radiation therapy" means the administration of ionizing radiation for therapeutic purposes.
- Sec. 30. "Radiologic imaging" means the use of ionizing radiation to diagnose or visualize a medical condition.
- Sec. 31. "Radiologist assistant" means a person who holds a license and meets the requirements of section 41 of this act.
  - Sec. 32. The provisions of this chapter do not apply to:
- 1. A physician <u>or physician assistant</u> licensed pursuant to chapter 630 or 633 of NRS.
  - 2. A dentist licensed pursuant to chapter 631 of NRS.
- 3. A chiropractic physician <u>or chiropractor's assistant</u> licensed pursuant to chapter 634 of NRS.
- 4. A person training to become a chiropractor's assistant or a student practicing in the preceptor program established by the Chiropractic Physicians' Board of Nevada pursuant to NRS 634.1375.
- <u>5.</u> A podiatric physician licensed pursuant to chapter 635 of NRS.
- [5:] 6. The administration of radiation to nonhuman animals for any purpose, including, without limitation, therapy or imaging.
- 7. The performance of mammography in accordance with NRS 457.182 to 457.187, inclusive.
- Sec. 33. 1. The Radiation Therapy and Radiologic Imaging Advisory Committee is hereby created.
- 2. The Committee consists of seven members, all of whom are voting members, appointed by the Governor. The Governor shall ensure that the members of the Committee represent the geographic diversity of this State. The Governor shall appoint to the Committee:
- (a) One member who holds a license and is certified by the American Registry of Radiologic Technologists, or its successor organization, to practice in the area of radiography.
- (b) One member who holds a license and is certified by the American Registry of Radiologic Technologists, or its successor organization, to practice in the area of nuclear medicine technology.

- (c) One member who holds a license and is certified by the American Registry of Radiologic Technologists, or its successor organization, to practice in the area of radiation therapy.
  - (d) One member who holds a limited license.
  - (e) One member who is a physician specializing in radiology.
- (f) One member who is a physician specializing in an area other than radiology, or a dentist, chiropractor or podiatrist.
- (g) One member who is <u>{a person responsible for administering radiation therapy in a medical facility or office who is}</u> certified to provide clinical professional services in a field of medical physics.
- 3. After the initial terms, the members of the Committee serve terms of 3 years. A vacancy on the Committee must be filled in the same manner as the initial appointment. No member may serve more than two consecutive terms.
- 4. Members of the Committee serve without compensation, except that each member of the Committee is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 5. The Committee shall annually select a Chair from among the members appointed pursuant to paragraphs (a) to (d), inclusive, of subsection 2, and a Vice Chair from among its members.
- 6. The Committee shall meet at least once each year and such other times as requested by the Administrator of the Division. The Committee may meet by telephone, videoconference or other electronic means in accordance with the provisions of chapter 241 of NRS. The Administrator shall prescribe the agenda for each meeting. The Committee may submit items to the Administrator to consider for inclusion on the agenda for a meeting.
  - 7. The Committee shall:
- (a) Recommend to the Board a national professional organization against which the scope of practice will be measured pursuant to paragraph (b) of subsection 1 of section 34 of this act; and
- (b) Make such other recommendations to the Board, the Division and the Legislature concerning radiation therapy and radiologic imaging as it deems proper.
  - Sec. 34. 1. The Board shall adopt regulations:
- (a) Establishing the fees for the application for and the issuance and renewal of a license or limited license.
- (b) Defining the scope of practice for radiologist assistants and persons who hold licenses and limited licenses. Such regulations must be at least as stringent as the scope of practice adopted by a national professional organization whose membership consists of persons licensed or certified to engage in radiation therapy or radiologic imaging. The national professional organization must be designated by the Board upon the recommendation of the Radiation Therapy and Radiologic Imaging Advisory Committee pursuant to subsection 7 of section 33 of this act.
- (c) Prescribing the requirements for continuing education for the renewal of a license or limited license. Such regulations must require the holder of a

license to complete more hours of continuing education than the holder of a limited license.

- (d) Prescribing the qualifications of a person who is authorized to supervise the holder of a limited license, the tasks for which such supervision is required and the level of supervision required.
- (e) Defining the terms "crime involving moral turpitude" and "unprofessional conduct" for the purposes of section 48 of this act.
- [ (f) Establishing standards for the training and performance of a person who holds a certificate. Such standards must be at least as stringent as the requirements for accreditation established by the American College of Radiology or its successor organization.]
- 2. The Board may adopt any other regulations necessary or convenient to carry out the provisions of this chapter.
- 3. At the same time that the Board provides notice pursuant to chapter 233B of NRS or NRS 241.020 of any meeting or workshop relating to the adoption of a proposed regulation pursuant to this chapter, the Board shall submit an electronic copy of the notice to the Radiation Therapy and Radiologic Imaging Advisory Committee created by section 33 of this act.
- 4. All money received from [fees and] penalties pursuant to the provisions of this chapter must be forwarded to the State Treasurer for credit to the Fund for the Care of Sites for the Disposal of Radioactive Waste created by NRS 459.231.
- 5. All money received from fees pursuant to the provisions of this chapter must be used by the Division to administer the provisions of this chapter.
- 6. The Division shall enforce the provisions of this chapter.
- Sec. 35. 1. Except as otherwise provided in sections 42, 43  $\frac{1}{1}$  and 56  $\frac{1}{1}$  and 56  $\frac{1}{1}$  of this act, a person shall not engage in:
- (a) Radiologic imaging unless he or she has obtained a license or limited license from the Division.
- (b) Radiation therapy unless he or she has obtained a license from the Division.
- (c) Radiation therapy or radiologic imaging which is outside the scope of practice authorized for his or her license or limited license by the regulations adopted pursuant to section 34 of this act.
- 2. A person who wishes to obtain or renew a license or limited license must apply to the Division in the form prescribed by the Division.
- 3. A license or limited license expires 2 years after the date on which the license was issued and must be renewed on or before that date.
- 4. The Division shall not issue or renew a license or limited license unless the applicant for issuance or renewal of the license or limited license attests to knowledge of and compliance with the guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices.
- 5. A provisional license or provisional limited license may not be renewed and expires:

- (a) On the date on which the holder of the provisional license or provisional limited license is issued a license or limited license by the Division;
- (b) On the date on which the application of the holder of the provisional license or provisional limited license for a license or limited license is denied by the Division; or
- (c) One year after the date on which the holder of the provisional license or provisional limited license is initially employed to engage in radiation therapy or radiologic imaging.
- 6. A person who engages in radiation therapy or radiologic imaging in violation of the provisions of this section is guilty of a misdemeanor.
- Sec. 36. The Division may issue a license to engage in radiation therapy and radiologic imaging to a person who:
- 1. Has successfully completed an educational program accredited by the Joint Review Committee on Education in Radiologic Technology, or its successor organization, the Joint Review Committee on Educational Programs in Nuclear Medicine Technology, or its successor organization, or another national accrediting organization approved by the Division; and
- 2. Is certified by the American Registry of Radiologic Technologists, or its successor organization, to practice in the area of radiography, nuclear medicine technology or radiation therapy or the Nuclear Medicine Technology Certification Board, or its successor organization, in nuclear medicine or meets any alternative standards prescribed by regulation of the Board.
- Sec. 37. 1. The Division may issue a limited license to engage in radiologic imaging to a person who has completed a course of study in limited X-ray machine operation that incorporates the Limited X-Ray Machine Operator Curriculum prescribed by the American Society of Radiologic Technologists, or its successor organization, and satisfies the provisions of subsection 2.
  - 2. A person may obtain a limited license only if the person:
- (a) Has passed an examination for the limited scope of practice in radiography administered by the American Registry of Radiologic Technologists or its successor organization;
- (b) If applying for a limited license in spine and extremity radiography, is certified by the American Chiropractic Registry of Radiologic Technologists or its successor organization;
- (c) If applying for a limited license in podiatric radiography, is licensed as a podiatry hygienist pursuant to NRS 635.093 or certified by the American Society of Podiatric Medical Assistants or its successor organization; or
- (d) If applying for a limited license in bone densitometry, is certified as a bone densitometry technologist or a certified densitometry technologist by the International Society for Clinical Densitometry, or its successor organization, or has successfully completed the examination for bone densitometry equipment operators administered by the American Registry of Radiologic Technologists or its successor organization.

- 3. The holder of a limited license may perform radiologic imaging only within the scope of the limited license, as described in this subsection and the regulations adopted pursuant to section 34 of this act, and under the supervision required by those regulations. The Division may issue a limited license in:
- (a) Chest radiography, which authorizes the holder of the limited license to engage in radiography of the thorax, heart and lungs;
- (b) Extremities radiography, which authorizes the holder of the limited license to engage in radiography of the upper and lower extremities, including the pelvic girdle;
- (c) Spine and extremity radiography, which authorizes the holder of the limited license to engage in radiography of the vertebral column and the upper and lower extremities, including the pelvic girdle;
- (d) Skull and sinus radiography, which authorizes the holder of the limited license to engage in radiography of the skull and face;
- (e) Podiatric radiography, which authorizes the holder of the limited license to engage in radiography of the foot, ankle and lower leg below the knee;
- (f) Bone densitometry, which authorizes the holder of the limited license to engage in the determination of bone mass by measuring the absorption of radiation in the bone; or
  - (g) Any combination thereof.
- 4. The holder of a limited license shall not perform procedures using contrast media, <del>[mammography,]</del> nuclear medicine or radiation therapy.
  - 5. As used in this section:
- (a) "Bone densitometry" means the quantitative assessment of bone mass using single or dual energy X-ray absorptiometry.
  - (b) "Radiography" has the meaning ascribed to it in NRS 457.182.
- Sec. 38. 1. The Division may issue a license by endorsement to engage in radiation therapy and radiologic imaging or a limited license by endorsement to engage in radiologic imaging in accordance with the provisions of this section to an applicant who meets the requirements set forth in this section.
- 2. An applicant for a license by endorsement or a limited license by endorsement pursuant to this section must submit to the Division an application in the form prescribed by the Division and:
  - (a) Proof satisfactory to the Division that the applicant:
- (1) If applying for a license to engage in radiation therapy and radiologic imaging, holds a valid and unrestricted license, certificate or other credential to engage in radiation therapy and radiologic imaging issued in any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico or any other territory or possession of the United States;
- (2) If applying for a limited license to engage in radiologic imaging, holds a valid and unrestricted license, certificate or other credential to engage in radiologic imaging issued in any state of the United States, the District of

Columbia, the Commonwealth of Puerto Rico or any other territory or possession of the United States;

- (3) Is a citizen of the United States or otherwise has the legal right to work in the United States;
- (4) Has not been disciplined or investigated by a regulatory authority of the state or territory in which the applicant holds or has held a license; and
- (5) Has not ever been held civilly or criminally liable for malpractice related to his or her license;
- (b) An affidavit stating that the information contained in the application and any accompanying material is true and correct; and
  - (c) Any other information required by the Division.
- 3. Not later than 15 business days after receiving an application for a license by endorsement to engage in radiation therapy and radiologic imaging or a limited license by endorsement to engage in radiologic imaging pursuant to this section, the Division shall provide written notice to the applicant if any additional information is required by the Division to consider the application. Unless the Division denies the application for good cause, the Division shall approve the application and issue a license by endorsement or limited license by endorsement, as applicable, to the applicant not later than 45 days after receiving the application.
- Sec. 39. 1. The Division may issue a license by endorsement to engage in radiation therapy and radiologic imaging or a limited license by endorsement to engage in radiologic imaging in accordance with the provisions of this section to an applicant who meets the requirements set forth in this section.
- 2. An applicant for a license by endorsement pursuant to this section must submit to the Division with his or her application:
  - (a) Proof satisfactory to the Division that the applicant:
- (1) If applying for a license to engage in radiation therapy and radiologic imaging, holds a valid and unrestricted license, certificate or other credential to engage in radiation therapy and radiologic imaging issued in any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico or any other territory or possession of the United States;
- (2) If applying for a limited license to engage in radiologic imaging, holds a valid and unrestricted license, certificate or other credential to engage in radiologic imaging issued in any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico or any other territory or possession of the United States;
- (3) Is an active member of, or the spouse of an active member of, the Armed Forces of the United States, a veteran or the surviving spouse of a veteran;
- (4) Is a citizen of the United States or otherwise has the legal right to work in the United States;
- (5) Has not been disciplined or investigated by a regulatory authority of the state or territory in which the applicant holds or has held a license; and

- (6) Has not ever been held civilly or criminally liable for malpractice related to his or her license;
- (b) An affidavit stating that the information contained in the application and any accompanying material is true and correct; and
  - (c) Any other information required by the Division.
- 3. Not later than 15 business days after receiving an application for a license by endorsement to engage in radiation therapy and radiologic imaging or a limited license by endorsement to engage in radiologic imaging pursuant to this section, the Division shall provide written notice to the applicant if any additional information is required by the Division to consider the application. Unless the Division denies the application for good cause, the Division shall approve the application and issue a license by endorsement or a limited license by endorsement, as applicable, to the applicant not later than 45 days after receiving all the additional information required by the Division to complete the application.
- 4. At any time before making a final decision, the Division may grant a provisional license authorizing an applicant to engage in radiation therapy and radiologic imaging or a provisional limited license authorizing an applicant to engage in radiologic imaging, as applicable, in accordance with regulations adopted by the Division.
- 5. As used in this section, "veteran" has the meaning ascribed to it in NRS 417.005.
- Sec. 40. 1. In addition to any other requirements set forth in this chapter:
- (a) An applicant for the issuance of a license [++] or limited license [++] eertificate] shall include the social security number of the applicant in the application submitted to the Division.
- 2. The Division shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the issuance or renewal of the license  $\frac{f}{f}$  or limited license  $\frac{f}{f}$  or
  - (b) A separate form prescribed by the Division.
- 3. A license [+,] or limited license [or certificate] may not be issued or renewed by the Division if the applicant:
  - (a) Fails to submit the statement required pursuant to subsection 1; or
- (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

- 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Division shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.
- Sec. 41. 1. The holder of a license may practice as a radiologist assistant if the holder is:
- (a) Certified by the American Registry of Radiologic Technologists, or its successor organization, to practice in the area of radiography and is registered as a radiologist assistant by that entity; or
- (b) Certified by the Certification Board for Radiology Practitioner Assistants.
- 2. In addition to the duties that the holder of a license is authorized to perform by the regulations adopted pursuant to section 34 of this act, a radiologist assistant:
- (a) May perform any duty relating to the care and management of patients, including, without limitation, radiologic imaging and interventional procedures guided by radiologic imaging, under the [direct] supervision of a radiologist.
- (b) May provide initial observations concerning the images of a patient to a supervising physician who specializes in radiology.
- (c) Shall not interpret images of a patient or otherwise engage in the practice of medicine, as defined in NRS 630.020.
- 3. A person who practices as a radiologist assistant without meeting the requirements of subsection 1 is guilty of a misdemeanor.
- Sec. 42. 1. A person who does not meet the requirements of section 35 of this act may, without compensation, engage in radiation therapy or radiologic imaging under the direct supervision of a physician, dentist, chiropractor or podiatrist or a person who holds a license for the purpose of qualifying for any certification required to obtain a license or a limited license.
- 2. A holder of a license or limited license may engage in radiation therapy or radiologic imaging outside the scope of practice authorized for his or her license or limited license by the regulations adopted pursuant to section 34 of this act if:
- (a) Necessary to qualify for certification by a national accrediting organization in that area; and
- (b) The licensee registers with the Division before engaging in such activity.
- 3. The Division may issue a temporary student license to a person who is enrolled in a program to qualify for any certification that is required to obtain a license or limited license. A holder of a temporary student license may engage in any activity described in subsection 1 for compensation.

- 4. A temporary student license may not be renewed and expires on the earlier of:
- (a) The date on which the holder of the temporary student license is issued a license or limited license by the Division;
- (b) The date on which the application of the holder of the temporary student license for a license or limited license is denied by the Division; or
- (c) One year after the date on which the holder of the temporary student license is initially employed to engage in radiation therapy or radiologic imaging.
- Sec. 43. <u>1. A person who does not hold a license or limited license may take X-ray photographs under the supervision of a physician or physician assistant as part of his or her employment or service as an independent contractor in a rural health clinic or federally-qualified health center described in subsection 2 if the person:</u>
- (a) Registers with the Division in the form prescribed by the Division;
- (b) Submits to the Division proof that he or she has completed training in radiation safety and proper positioning for X-ray photographs provided by the holder of a license; and
- (c) Completes the continuing education prescribed by regulation of the <u>Department.</u>
- 2. A person described in subsection 1 may take X-ray photographs as part of his or her employment or service as an independent contractor in a rural health clinic or federally-qualified health center that:
- (a) Is located in a county whose population is less than 55,000; and
- (b) Has established a quality assurance program for X-ray photographs that meets the requirements prescribed by regulation of the Division.
- <u>3.</u> A person who performs <del>[radiation therapy, radiologic imaging,]</del> computed tomography or fluoroscopy as part of his or her employment on January 1, 2020, may continue to perform any such activity on and after that date without <del>[obtaining a license from the Division]</del> complying with the requirements of section 44 or 45, as applicable, of this act if he or she:
  - [1.] (a) Registers with the Division in the form prescribed by the Division;
  - [2.] (b) Provides any information requested by the Division; and
- [3.] (c) Does not expand the scope of his or her duties relating to [radiation therapy, radiologie imaging,] computed tomography or fluoroscopy, as applicable . [; and]
- 4. [Completes any continuing education prescribed by regulation of the Board for the holder of a license or limited license, as applicable, who performs the same services as those performed by the person.] As used in this section:
- (a) "Federally-qualified health center" has the meaning ascribed to it in 42 U.S.C. § 1396d(l)(2)(B).
- (b) "Rural health clinic" has the meaning ascribed to it in 42 U.S.C. § 1395x(aa)(2).

- Sec. 44. 1. A person shall not perform computed tomography except as authorized by this section and section 43 of this act.
- 2. Except as otherwise provided in this section, a holder of a license may only perform computed tomography within his or her scope of practice, as authorized by the regulations adopted pursuant to section 34 of this act, if he or she is certified by:
- (a) The American Registry of Radiologic Technologists, or its successor organization, to practice in the area of nuclear medicine technology or radiation therapy; or
- (b) The Nuclear Medicine Technology Certification Board, or its successor organization, in nuclear medicine.
- 3. A holder of a license who is certified by the American Registry of Radiologic Technologists, or its successor organization, or the Nuclear Medicine Technology Certification Board, or its successor organization, in computed tomography may perform computed tomography.
- 4. A holder of a license who does not satisfy the requirements of subsection 2 or 3 may perform computed tomography if he or she:
- (a) Performs computed tomography to qualify for certification by the American Registry of Radiologic Technologists, or its successor organization, or the Nuclear Medicine Technology Certification Board, or its successor organization, in computed tomography; and
  - (b) Registers with the Division before performing computed tomography.
- 5. A person who performs computed tomography in violation of this section is guilty of a misdemeanor.
- Sec. 45. 1. A person shall not perform fluoroscopy except as authorized in this section and section 43 of this act.
  - 2. A holder of a license may perform fluoroscopy <del>[only]</del>:
- (a) If he or she is certified by the American Registry of Radiologic Technologists, or its successor organization, to practice in the area of radiation therapy;
  - (b) Only within the scope of his or her practice; and
- <u>(c) Only</u> to the extent authorized by the regulations adopted pursuant to section 34 of this act.
- 3. A person who performs fluoroscopy in violation of this section is guilty of a misdemeanor.
- Sec. 46. [1. A person shall not operate a radiation machine for mammography unless the person holds a certificate of authorization to operate such a radiation machine issued by the Division.
- 2. To obtain a certificate of authorization to operate a radiation machine for mammography, a person must:
- (a) Submit an application to the Division on a form provided by the Division and provide any additional information required by the Division;
- (b) Be certified by the American Registry of Radiologic Technologists or meet the standards established by the Board pursuant to paragraph (f) of subsection 1 of section 34 of this act;

- (c) Hold a license or be exempt from the requirement to hold a license pursuant to section 43 of this act:
- —(d) Pass an examination if the Division determines that an examination for certification is necessary to protect the health and safety of the residents of this State; and
- (e) Pay the fee required by the Division, which must be calculated to cover the administrative costs directly related to the process of issuing the certificates.
- 3. A certificate of authorization to operate a radiation machine for mammography expires 2 years after the date on which it was issued unless it is renewed before that date.
- 4. The Division shall require continuing education as a prerequisite to the renewal of a certificate and shall charge a fee for renewal in an amount calculated to cover the administrative costs directly related to the renewal of a certificate.
- -5. A person who is certified to operate a radiation machine for mammography pursuant to this section shall not operate such a machine without a valid certificate of authorization issued pursuant to NRS 457.184.

  6. A person who violates the provisions of this section is guilty of a misdemeanor.] (Deleted by amendment.)
- Sec. 47. 1. Except as otherwise provided in this section, any authorized representative of the Division may:
- (a) Enter and inspect at any reasonable time any private or public property on which radiation therapy or radiologic imaging is conducted for the purpose of determining whether a violation of the provisions of this chapter or the regulations adopted pursuant thereto has occurred or is occurring. The owner, occupant or person responsible for such property shall permit such entry and inspection. An owner, occupant or person responsible for such property who fails to permit such entry and inspection is guilty of a misdemeanor.
- (b) Request any information necessary to ensure that any person who engages in radiation therapy or radiologic imaging meets any requirements specified by this chapter or section 56. [1, 60 or 62] of this act, as applicable, concerning the radiation therapy or radiologic imaging in which the person engages.
- 2. An authorized representative of the Division may only enter an area that is subject to the jurisdiction of the Federal Government if the authorized representative obtains the consent of the Federal Government or its duly designated representative.
- 3. Any report of an investigation or inspection conducted pursuant to paragraph (a) of subsection 1 and any information requested pursuant to paragraph (b) of subsection 1 shall not be disclosed or made available for public inspection, except as otherwise provided in NRS 239.0115 or as may be necessary to carry out the responsibilities of the Division.
- Sec. 48. 1. The Division may deny, suspend, revoke or refuse to renew a license for certificate issued pursuant to the provisions

of this chapter, impose limitations on the practice of a holder of such a license  $\frac{[n]}{[n]}$  or impose a civil penalty of up to \$1,000 per violation if a person:

- (a) Obtains a license [,] or limited license [or eertificate] through fraud, misrepresentation or concealment of material facts;
- (b) Engages in unprofessional conduct, as defined by the regulations adopted pursuant to section 34 of this act;
- (c) Is convicted of a crime involving moral turpitude, as defined by the regulations adopted pursuant to section 34 of this act, or any crime which indicates that the person is unfit to engage in radiation therapy or radiologic imaging;
- (d) Violates any provision of this chapter or any regulations adopted pursuant thereto;
- (e) Is guilty of malpractice, gross negligence or incompetence while engaging in radiation therapy or radiologic imaging;
- (f) Engages in conduct that could result in harm to a member of the public; or
- (g) Has disciplinary action imposed in another jurisdiction against a license or certificate of the person that is equivalent to a license  $\frac{\{\cdot,\cdot\}}{\{\cdot\}}$  or limited license  $\frac{\{\cdot\}}{\{\cdot\}}$  issued pursuant to this chapter.
- 2. [The Division shall revoke a certificate if it finds that the holder violated the provisions of subsection 4 of section 46 of this act.
- 3.] At least 2 years after the date on which the license [1,1] or limited license [1,2] or a person is revoked, the person may apply to the Division for reinstatement of the license, which is within the discretion of the Division.
- Sec. 49. 1. The Division may, upon its own motion, and shall, upon the verified complaint in writing of any person setting forth facts which, if proven, would constitute grounds for initiating disciplinary action, investigate the actions of any person who engages in radiation therapy or radiologic imaging.
- 2. A person may file a complaint anonymously pursuant to subsection 1. The Division may refuse to consider such a complaint if anonymity of the complainant makes processing the complaint impossible or unfair to the person who is the subject of the complaint.
- 3. The Division shall retain all complaints received by the Division pursuant to this section for at least 10 years, including, without limitation, any complaints not acted upon by the Division.
- 4. Before initiating proceedings to impose disciplinary action, the Division shall notify the accused person in writing of the charges. Such notice may be served by personal delivery to the accused person or by mailing it by registered or certified mail to the place of business last specified as noted in the records of the Division.
- 5. In any proceeding to impose disciplinary action, the Division shall afford an opportunity for a hearing on the record upon the request of the accused person. The Division may compel the attendance of witnesses or the production of documents or objects by subpoena.

- 6. The Division shall render a written decision at the conclusion of each hearing, and the record and decision in each hearing must be made available for inspection by any interested person.
- 7. The Division may delegate to a hearing officer or panel its authority to take any disciplinary action pursuant to the provisions of this chapter. Any disciplinary action taken by the hearing officer or panel is subject to the same procedural requirements applicable to the Division pursuant to subsection 6, and the officer or panel has those powers and duties given to the Division in relation thereto.
- 8. A decision imposing disciplinary action pursuant to this section is a final decision for the purposes of judicial review.
- Sec. 50. 1. If the Division receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a license or limited license, the Division shall deem the license or limited license [and any certificate] issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Division receives a letter issued to the holder of the license or limited license by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license or limited license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- 2. The Division shall reinstate a license [+] or limited license [+] ertificate] that has been suspended by a district court pursuant to NRS 425.540 if the Division receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license [+] or limited license [or certificate] was suspended stating that the person whose license [+] or limited license [or certificate] was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- Sec. 51. 1. The Division or the Attorney General may maintain in any court of competent jurisdiction a suit to enjoin any person from violating a provision of this chapter or any regulations adopted pursuant thereto.
  - 2. Such an injunction:
- (a) May be issued without proof of actual damage sustained by any person as a preventive or punitive measure.
  - (b) Does not relieve any person from any other legal action.
  - Sec. 52. NRS 622.520 is hereby amended to read as follows:
- 622.520 1. A regulatory body that regulates a profession pursuant to chapters 630, 630A, 632 to 641C, inclusive, or 644A of NRS *or sections 22 to 51, inclusive, of this act* in this State may enter into a reciprocal agreement with the corresponding regulatory authority of the District of Columbia or any other state or territory of the United States for the purposes of:

- (a) Authorizing a qualified person licensed in the profession in that state or territory to practice concurrently in this State and one or more other states or territories of the United States; and
  - (b) Regulating the practice of such a person.
- 2. A regulatory body may enter into a reciprocal agreement pursuant to subsection 1 only if the regulatory body determines that:
- (a) The corresponding regulatory authority is authorized by law to enter into such an agreement with the regulatory body; and
- (b) The applicable provisions of law governing the practice of the respective profession in the state or territory on whose behalf the corresponding regulatory authority would execute the reciprocal agreement are substantially similar to the corresponding provisions of law in this State.
- 3. A reciprocal agreement entered into pursuant to subsection 1 must not authorize a person to practice his or her profession concurrently in this State unless the person:
- (a) Has an active license to practice his or her profession in another state or territory of the United States.
- (b) Has been in practice for at least the 5 years immediately preceding the date on which the person submits an application for the issuance of a license pursuant to a reciprocal agreement entered into pursuant to subsection 1.
- (c) Has not had his or her license suspended or revoked in any state or territory of the United States.
- (d) Has not been refused a license to practice in any state or territory of the United States for any reason.
- (e) Is not involved in and does not have pending any disciplinary action concerning his or her license or practice in any state or territory of the United States.
- (f) Pays any applicable fees for the issuance of a license that are otherwise required for a person to obtain a license in this State.
- (g) Submits to the applicable regulatory body the statement required by NRS 425.520.
- 4. If the regulatory body enters into a reciprocal agreement pursuant to subsection 1, the regulatory body must prepare an annual report before January 31 of each year outlining the progress of the regulatory body as it relates to the reciprocal agreement and submit the report to the Director of the Legislative Counsel Bureau for transmittal to the next session of the Legislature in odd-numbered years or to the Legislative Committee on Health Care in even-numbered years.
  - Sec. 53. [NRS 630.275 is hereby amended to read as follows:
- -630.275 The Board shall adopt regulations regarding the licensure of a physician assistant, including, but not limited to:
- 1. The educational and other qualifications of applicants.
- 2. The required academic program for applicants.
- 3. The procedures for applications for and the issuance of licenses.

- 4. The procedures deemed necessary by the Board for applications for and the initial issuance of licenses by endorsement pursuant to NRS 630.2751 or 630.2752.
- 5. The tests or examinations of applicants by the Board.
- 6. The medical services which a physician assistant may perform, except that a physician assistant may not perform those specific functions and duties delegated or restricted by law to persons licensed as dentists, chiropractors, podiatric physicians and optometrists under chapters 631, 634, 635 and 636, respectively, of NRS, persons who hold a license to engage in radiation therapy and radiologic imaging or a limited license to engage in radiologic imaging pursuant to sections 22 to 51, inclusive, of this act or persons licenses as hearing aid specialists.
- 7. The duration, renewal and termination of licenses, including licenses by endorsement.
- 8. The grounds and procedures respecting disciplinary actions against physician assistants.
- 9. The supervision of medical services of a physician assistant by a supervising physician, including, without limitation, supervision that is performed electronically, telephonically or by fiber optics from within or outside this State or the United States.
- —10. A physician assistant's use of equipment that transfers information concerning the medical condition of a patient in this State electronically, telephonically or by fiber optics, including, without limitation, through telehealth, from within or outside this State or the United States.] (Deleted by amendment.)
  - Sec. 54. NRS 630.279 is hereby amended to read as follows:
- 630.279 The Board shall adopt regulations regarding the licensure of practitioners of respiratory care, including, without limitation:
  - 1. Educational and other qualifications of applicants;
- 2. Required academic programs which applicants must successfully complete;
  - 3. Procedures for applying for and issuing licenses;
  - 4. Tests or examinations of applicants by the Board;
- 5. The types of medical services that a practitioner of respiratory care may perform, except that a practitioner of respiratory care may not perform those specific functions and duties delegated or otherwise restricted by specific statute to persons licensed as dentists, chiropractors, podiatric physicians, optometrists, physicians, osteopathic physicians or hearing aid specialists pursuant to this chapter or chapter 631, 633, 634, 635, 636 or 637B of NRS, as appropriate [;], or persons who hold a license to engage in radiation therapy and radiologic imaging or a limited license to engage in radiologic imaging pursuant to sections 22 to 51, inclusive, of this act;
  - 6. The duration, renewal and termination of licenses; and
- 7. The grounds and procedures for disciplinary actions against practitioners of respiratory care.

- Sec. 55. NRS 630A.299 is hereby amended to read as follows:
- 630A.299 The Board shall adopt regulations regarding the certification of a homeopathic assistant, including, but not limited to:
  - 1. The educational and other qualifications of applicants.
  - 2. The required academic program for applicants.
  - 3. The procedures for applications for and the issuance of certificates.
  - 4. The tests or examinations of applicants by the Board.
- 5. The medical services which a homeopathic assistant may perform, except that a homeopathic assistant may not perform those specific functions and duties delegated or restricted by law to persons licensed as dentists, chiropractors, podiatric physicians, optometrists or hearing aid specialists under chapter 631, 634, 635, 636 or 637B, respectively, of NRS [...] or persons licensed to engage in radiation therapy or radiologic imaging pursuant to sections 22 to 51, inclusive, of this act.
  - 6. The duration, renewal and termination of certificates.
- 7. The grounds respecting disciplinary actions against homeopathic assistants.
- 8. The supervision of a homeopathic assistant by a supervising homeopathic physician.
- 9. The establishment of requirements for the continuing education of homeopathic assistants.
- Sec. 56. Chapter 631 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as authorized by this section, a dental hygienist, dental assistant or qualified technician shall not engage in radiation therapy or radiologic imaging unless he or she has obtained a license or limited license pursuant to sections 22 to 51, inclusive, of this act.
- 2. A dental hygienist, dental assistant or qualified technician may make radiograms or X-ray exposures or use X-ray radiation:
- (a) Only for dental treatment or dental diagnostic purposes and upon the direction of a dentist; and
- (b) Except as otherwise provided in subsection 3, if he or she has successfully completed the training prescribed by the Board pursuant to subsection 4.
- 3. A dental hygienist, dental assistant or qualified technician who has not successfully completed the training prescribed by the Board pursuant to subsection 4 may, as part of that training, make radiograms or X-ray exposures or use X-ray radiation under the direct supervision and upon the direction of a dentist.
- 4. The Board shall adopt regulations prescribing training that a dental hygienist, dental assistant or qualified technician must receive before making radiograms or X-ray exposures or using X-ray radiation.
  - 5. As used in this section:
- (a) "Radiation therapy" has the meaning ascribed to it in section 29 of this act.

- (b) "Radiologic imaging" has the meaning ascribed to it in section 30 of this act.
  - Sec. 57. NRS 631.215 is hereby amended to read as follows:
  - 631.215 1. Any person shall be deemed to be practicing dentistry who:
- (a) Uses words or any letters or title in connection with his or her name which in any way represents the person as engaged in the practice of dentistry, or any branch thereof;
- (b) Advertises or permits to be advertised by any medium that the person can or will attempt to perform dental operations of any kind;
- (c) Evaluates or diagnoses, professes to evaluate or diagnose or treats or professes to treat, surgically or nonsurgically, any of the diseases, disorders, conditions or lesions of the oral cavity, maxillofacial area or the adjacent and associated structures and their impact on the human body;
  - (d) Extracts teeth;
  - (e) Corrects malpositions of the teeth or jaws;
- (f) Takes impressions of the teeth, mouth or gums, unless the person is authorized by the regulations of the Board to engage in such activities without being a licensed dentist;
- (g) Examines a person for, or supplies artificial teeth as substitutes for natural teeth:
  - (h) Places in the mouth and adjusts or alters artificial teeth;
- (i) Does any practice included in the clinical dental curricula of accredited dental colleges or a residency program for those colleges;
- (j) Administers or prescribes such remedies, medicinal or otherwise, as are needed in the treatment of dental or oral diseases;
- (k) Uses X-ray radiation or laser radiation for dental treatment or dental diagnostic purposes, unless the person is authorized by [the regulations of the Board] section 56 of this act to engage in such activities without being a licensed dentist:
  - (1) Determines:
    - (1) Whether a particular treatment is necessary or advisable; or
    - (2) Which particular treatment is necessary or advisable; or
- (m) Dispenses tooth whitening agents or undertakes to whiten or bleach teeth by any means or method, unless the person is:
- (1) Dispensing or using a product that may be purchased over the counter for a person's own use; or
- (2) Authorized by the regulations of the Board to engage in such activities without being a licensed dentist.
  - 2. Nothing in this section:
- (a) Prevents a dental assistant, dental hygienist or qualified technician from [making]:
- (1) Making radiograms or X-ray exposures or using X-ray radiation if authorized by section 56 of this act; or
- (2) Using laser radiation for dental treatment or dental diagnostic purposes upon the direction of a licensed dentist.

- (b) Prohibits the performance of mechanical work, on inanimate objects only, by any person employed in or operating a dental laboratory upon the written work authorization of a licensed dentist.
- (c) Prevents students from performing dental procedures that are part of the curricula of an accredited dental school or college or an accredited school of dental hygiene or an accredited school of dental assisting.
- (d) Prevents a licensed dentist or dental hygienist from another state or country from appearing as a clinician for demonstrating certain methods of technical procedures before a dental society or organization, convention or dental college or an accredited school of dental hygiene or an accredited school of dental assisting.
- (e) Prohibits the manufacturing of artificial teeth upon receipt of a written authorization from a licensed dentist if the manufacturing does not require direct contact with the patient.
- (f) Prohibits the following entities from owning or operating a dental office or clinic if the entity complies with the provisions of NRS 631.3452:
- (1) A nonprofit corporation organized pursuant to the provisions of chapter 82 of NRS to provide dental services to rural areas and medically underserved populations of migrant or homeless persons or persons in rural communities pursuant to the provisions of 42 U.S.C. § 254b or 254c.
- (2) A federally-qualified health center as defined in 42 U.S.C.  $\S 1396d(1)(2)(B)$  operating in compliance with other applicable state and federal law.
- (3) A nonprofit charitable corporation as described in section 501(c)(3) of the Internal Revenue Code and determined by the Board to be providing dental services by volunteer licensed dentists at no charge or at a substantially reduced charge to populations with limited access to dental care.
- (g) Prevents a person who is actively licensed as a dentist in another jurisdiction from treating a patient if:
- (1) The patient has previously been treated by the dentist in the jurisdiction in which the dentist is licensed;
- (2) The dentist treats the patient only during a course of continuing education involving live patients which:
- (I) Is conducted at an institute or organization with a permanent facility registered with the Board for the sole purpose of providing postgraduate continuing education in dentistry; and
- (II) Meets all applicable requirements for approval as a course of continuing education; and
- (3) The dentist treats the patient only under the supervision of a person licensed pursuant to NRS 631.2715.
- (h) Prohibits a person from providing goods or services for the support of the business of a dental practice, office or clinic owned or operated by a licensed dentist or any entity not prohibited from owning or operating a dental practice, office or clinic if the person does not:

- (1) Provide such goods or services in exchange for payments based on a percentage or share of revenues or profits of the dental practice, office or clinic; or
- (2) Exercise any authority or control over the clinical practice of dentistry.
- 3. The Board shall adopt regulations identifying activities that constitute the exercise of authority or control over the clinical practice of dentistry, including, without limitation, activities which:
- (a) Exert authority or control over the clinical judgment of a licensed dentist; or
- (b) Relieve a licensed dentist of responsibility for the clinical aspects of the dental practice.
- → Such regulations must not prohibit or regulate aspects of the business relationship, other than the clinical practice of dentistry, between a licensed dentist or professional entity organized pursuant to the provisions of chapter 89 of NRS and the person or entity providing goods or services for the support of the business of a dental practice, office or clinic owned or operated by the licensed dentist or professional entity.
  - Sec. 58. NRS 632.472 is hereby amended to read as follows:
- 632.472 1. The following persons shall report in writing to the Executive Director of the Board any conduct of a licensee or holder of a certificate which constitutes a violation of the provisions of this chapter:
- (a) Any physician, dentist, dental hygienist, chiropractor, optometrist, podiatric physician, medical examiner, resident, intern, professional or practical nurse, nursing assistant, medication aide certified, perfusionist, physician assistant licensed pursuant to chapter 630 or 633 of NRS, psychiatrist, psychologist, marriage and family therapist, clinical professional counselor, alcohol or drug abuse counselor, music therapist, *holder of a license or limited license issued pursuant to sections 22 to 51, inclusive, of this act*, driver of an ambulance, paramedic or other person providing medical services licensed or certified to practice in this State.
- (b) Any personnel of a medical facility or facility for the dependent engaged in the admission, examination, care or treatment of persons or an administrator, manager or other person in charge of a medical facility or facility for the dependent upon notification by a member of the staff of the facility.
  - (c) A coroner.
- (d) Any person who maintains or is employed by an agency to provide personal care services in the home.
- (e) Any person who operates, who is employed by or who contracts to provide services for an intermediary service organization as defined in NRS 449.4304.
- (f) Any person who maintains or is employed by an agency to provide nursing in the home.
  - (g) Any employee of the Department of Health and Human Services.

- (h) Any employee of a law enforcement agency or a county's office for protective services or an adult or juvenile probation officer.
- (i) Any person who maintains or is employed by a facility or establishment that provides care for older persons.
- (j) Any person who maintains, is employed by or serves as a volunteer for an agency or service which advises persons regarding the abuse, neglect or exploitation of an older person and refers them to persons and agencies where their requests and needs can be met.
  - (k) Any social worker.
- (l) Any person who operates or is employed by a community health worker pool or with whom a community health worker pool contracts to provide the services of a community health worker, as defined in NRS 449.0027.
- (m) Any person who operates or is employed by a peer support recovery organization.
- 2. Every physician who, as a member of the staff of a medical facility or facility for the dependent, has reason to believe that a nursing assistant or medication aide certified has engaged in conduct which constitutes grounds for the denial, suspension or revocation of a certificate shall notify the superintendent, manager or other person in charge of the facility. The superintendent, manager or other person in charge shall make a report as required in subsection 1.
  - 3. A report may be filed by any other person.
- 4. Any person who in good faith reports any violation of the provisions of this chapter to the Executive Director of the Board pursuant to this section is immune from civil liability for reporting the violation.
  - 5. As used in this section:
- (a) "Agency to provide personal care services in the home" has the meaning ascribed to it in NRS 449.0021.
- (b) "Community health worker pool" has the meaning ascribed to it in NRS 449.0028.
- (c) "Peer support recovery organization" has the meaning ascribed to it in NRS 449.01563.
  - Sec. 59. [NRS 633.434 is hereby amended to read as follows:
- <u>633.434</u> The Board shall adopt regulations regarding the licensure of a physician assistant, including, without limitation:
- 1. The educational and other qualifications of applicants.
- 2. The required academic program for applicants.
- 3. The procedures for applications for and the issuance of licenses.
- 4. The procedures deemed necessary by the Board for applications for and the issuance of initial licenses by endorsement pursuant to NRS 633,4335 and 633,4336.
- 5. The tests or examinations of applicants by the Board.
- 6. The medical services which a physician assistant may perform, excepthat a physician assistant may not perform osteopathic manipulative therapy of those specific functions and duties delegated or restricted by law to person.

licensed as dentists, chiropractors, doctors of Oriental medicine, podiatric physicians, optometrists and hearing aid specialists under chapters 631, 634, 634A, 635, 636 and 637B, respectively, of NRS [.] or persons who hold a license to engage in radiation therapy and radiologic imaging or a limited license to engage in radiologic imaging pursuant to sections 22 to 51, inclusive, of this act.

- 7. The grounds and procedures respecting disciplinary actions against physician assistants.
- 8. The supervision of medical services of a physician assistant by a supervising esteopathic physician.] (Deleted by amendment.)
- Sec. 60. [Chapter 634 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as authorized by this section, a chiropractor's assistant or participant in the preceptor program shall not engage in radiation therapy or radiologic imaging unless he or she has obtained a license or limited license pursuant to sections 22 to 51, inclusive, of this act.
- 2. A chiropractor's assistant or participant in the preceptor program may perform radiography only:
- (a) Within the practice of chiropractic; and
- (b) Except as otherwise provided in subsection 3, if he or she has successfully completed the training prescribed by the Board pursuant to subsection 4.
- 3. A chiropractor's assistant or participant in the preceptor program who has not successfully completed the training prescribed by the Board pursuant to subsection 4 may, as part of that training, perform radiography under the direct supervision of a chiropractor who has successfully competed that training.
- 4. The Board shall adopt regulations prescribing training that a chiropractor's assistant or participant in the preceptor program must receive before performing radiography.
- 5. As used in this section:
- (a) "Preceptor program" means the preceptor program established pursuant to NRS 634.137.
- (b) "Radiation therapy" has the meaning ascribed to it in section 29 of this act.
- (c) "Radiography" has the meaning ascribed to it in NRS 457.182.
- (d) "Radiologic imaging" has the meaning ascribed to it in section 30 of this act.] (Deleted by amendment.)
- Sec. 61. [NRS 634.1375 is hereby amended to read as follows:
- <u>634.1375</u> 1. A student who wishes to participate in the preceptor program established by the Board pursuant to NRS 634.137 must:
- (a) File with the Board an application in the form required by the Board:
- (b) Pay the fee for filing an application required by NRS 634.135;

- (c) Be enrolled in his or her final academic year at a college of chiropractic that meets the criteria established in paragraph (b) of subsection 1 of NRS 634.090:
- (d) Have completed all clinical work required by the Board;
- (e) Enter into a preceptor agreement with a chiropractor who is approved by the Board to act as a preceptor pursuant to NRS 634.1379; and
- (f) Comply with any other requirements prescribed by the Board.
- 2. The Board may approve or deny an application for a student who wishes to participate in the preceptor program and shall provide notice to the student of its decision.
- A student who is approved to participate in the preceptor program:
- (a) May perform chiropractic, including, without limitation, chiropractic adjustment or manipulation [,] and, if authorized by section 60 of this act, radiography, under the direct supervision of a chiropractor who is approved to act as a preceptor pursuant to NRS 634.1379.
- (b) Shall not perform chiropractic as a participant in the preceptor program for more than 1 year.] (Deleted by amendment.)
- Sec. 62. Chapter 635 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as authorized by this section, a podiatry hygienist shall not engage in radiation therapy or radiologic imaging unless he or she has obtained a license or limited license pursuant to sections 22 to 51, inclusive, of this act.
  - 2. A podiatry hygienist may take and develop X-rays only:
- (a) Within the practice of podiatry and under the direction of a podiatric physician; and
- (b) Except as otherwise provided in subsection 3, if he or she has successfully completed the training prescribed by the Board pursuant to subsection 4.
- 3. A podiatry hygienist who has not successfully completed the training prescribed by the Board pursuant to subsection 4 may, as part of that training, take and develop X-rays under the direct supervision of a podiatric physician.
- 4. The Board shall adopt regulations prescribing training that a podiatry hygienist must receive before taking and developing X-rays.
  - 5. As used in this section:
- (a) "Radiation therapy" has the meaning ascribed to it in section 29 of this act.
- (b) "Radiologic imaging" has the meaning ascribed to it in section 30 of this act.
  - Sec. 63. NRS 635.098 is hereby amended to read as follows:
- 635.098 1. Any podiatry hygienist in the employ and under the direction of a podiatric physician may:
  - (a) Apply orthopedic padding.
  - (b) Administer to patients by means of physiotherapeutic equipment.
  - (c) Make up surgical packs.

- (d) Strap and cast for orthopedic appliances.
- (e) Take and develop X-rays  $[\cdot]$ , if authorized by section 62 of this act.
- (f) Assist in foot surgery.
- (g) Administer oral medications.
- 2. The Board may require that every podiatry hygienist have a general knowledge of sterile techniques, aseptic maintenance of surgery rooms, emergency treatments, podiatric nomenclature and podiatric surgical procedure.
  - Sec. 64. NRS 637B.080 is hereby amended to read as follows:
  - 637B.080 The provisions of this chapter do not apply to any person who:
- 1. Holds a current credential issued by the Department of Education pursuant to chapter 391 of NRS and any regulations adopted pursuant thereto and engages in the practice of audiology or speech-language pathology within the scope of that credential;
- 2. Is employed by the Federal Government and engages in the practice of audiology or speech-language pathology within the scope of that employment;
- 3. Is a student enrolled in a program or school approved by the Board, is pursuing a degree in audiology or speech-language pathology and is clearly designated to the public as a student; or
- 4. Holds a current license issued pursuant to chapters 630 to 637, inclusive, or 640 to 641C, inclusive, of NRS [,] or sections 22 to 51, inclusive, of this act,
- → and who does not engage in the private practice of audiology or speech-language pathology in this State.
  - Sec. 65. NRS 639.100 is hereby amended to read as follows:
- 639.100 1. Except as otherwise provided in this chapter, it is unlawful for any person to manufacture, engage in wholesale distribution, compound, sell or dispense, or permit to be manufactured, distributed at wholesale, compounded, sold or dispensed, any drug, poison, medicine or chemical, or to dispense or compound, or permit to be dispensed or compounded, any prescription of a practitioner, unless the person:
- (a) Is a prescribing practitioner, a person licensed to engage in wholesale distribution, [a technologist in radiology or nuclear medicine] a person licensed pursuant to sections 22 to 51, inclusive, of this act under the supervision of the prescribing practitioner, a registered pharmacist, or a registered nurse certified in oncology under the supervision of the prescribing practitioner; and
  - (b) Complies with the regulations adopted by the Board.
  - 2. A person who violates any provision of subsection 1:
  - (a) If no substantial bodily harm results, is guilty of a category D felony; or
  - (b) If substantial bodily harm results, is guilty of a category C felony,
- → and shall be punished as provided in NRS 193.130.
- 3. Sales representatives, manufacturers or wholesalers selling only in wholesale lots and not to the general public and compounders or sellers of medical gases need not be registered pharmacists. A person shall not act as a

manufacturer or wholesaler unless the person has obtained a license from the Board.

- 4. Any nonprofit cooperative organization or any manufacturer or wholesaler who furnishes, sells, offers to sell or delivers a controlled substance which is intended, designed and labeled "For Veterinary Use Only" is subject to the provisions of this chapter, and shall not furnish, sell or offer to sell such a substance until the organization, manufacturer or wholesaler has obtained a license from the Board.
- 5. Each application for such a license must be made on a form furnished by the Board and an application must not be considered by the Board until all the information required thereon has been completed. Upon approval of the application by the Board and the payment of the required fee, the Board shall issue a license to the applicant. Each license must be issued to a specific person for a specific location.
- 6. The Board shall not condition, limit, restrict or otherwise deny to a prescribing practitioner the issuance of a certificate, license, registration, permit or authorization to prescribe controlled substances or dangerous drugs because the practitioner is located outside this State.
  - Sec. 66. NRS 644A.880 is hereby amended to read as follows:
- 644A.880 1. If the Board determines that a complaint filed with the Board concerns a matter within the jurisdiction of another licensing board, the Board shall refer the complaint to the other licensing board within 5 days after making the determination.
- 2. The Board may refer a complaint pursuant to subsection 1 orally, electronically or in writing.
- 3. The provisions of subsection 1 apply to any complaint filed with the Board, including, without limitation:
- (a) A complaint which concerns a person who or entity which is licensed, certified or otherwise regulated by the Board or by another licensing board; and
- (b) A complaint which concerns a person who or entity which is licensed, certified or otherwise regulated solely by another licensing board.
- 4. The provisions of this section do not prevent the Board from acting upon a complaint which concerns a matter within the jurisdiction of the Board regardless of whether the Board refers the complaint pursuant to subsection 1.
- 5. The Board or an officer or employee of the Board is immune from any civil liability for any decision or action taken in good faith and without malicious intent in carrying out the provisions of this section.
  - 6. As used in this section, "licensing board" means [a]:
- (a) A board created pursuant to chapter 630, 630A, 631, 632, 633, 634, 634A, 635, 636, 637, 637B, 639, 640, 640A, 640B, 640C, 640D, 640E, 641, 641A, 641B, 641C, 643, 644A or 654 of NRS [-]; and
- (b) The Division of Public and Behavioral Health of the Department of Health and Human Services.
  - Sec. 67. NRS 654.185 is hereby amended to read as follows:

- 654.185 1. If the Board determines that a complaint filed with the Board concerns a matter within the jurisdiction of another licensing board, the Board shall refer the complaint to the other licensing board within 5 days after making the determination.
- 2. The Board may refer a complaint pursuant to subsection 1 orally, electronically or in writing.
- 3. The provisions of subsection 1 apply to any complaint filed with the Board, including, without limitation:
- (a) A complaint which concerns a person who or entity which is licensed, certified or otherwise regulated by the Board or by another licensing board; and
- (b) A complaint which concerns a person who or entity which is licensed, certified or otherwise regulated solely by another licensing board.
- 4. The provisions of this section do not prevent the Board from acting upon a complaint which concerns a matter within the jurisdiction of the Board regardless of whether the Board refers the complaint pursuant to subsection 1.
- 5. The Board or an officer or employee of the Board is immune from any civil liability for any decision or action taken in good faith and without malicious intent in carrying out the provisions in this section.
  - 6. As used in this section, "licensing board" means [a]:
- (a) A board created pursuant to chapter 630, 630A, 631, 632, 633, 634, 634A, 635, 636, 637, 637B, 639, 640, 640A, 640B, 640C, 640D, 640E, 641, 641B, 641C, 643, 644A or 654 of NRS [-]; and
- (b) The Division of Public and Behavioral Health of the Department of Health and Human Services.
  - Sec. 68. NRS 679B.440 is hereby amended to read as follows:
- 679B.440 1. The Commissioner may require that reports submitted pursuant to NRS 679B.430 include, without limitation, information regarding:
  - (a) Liability insurance provided to:
- (1) Governmental agencies and political subdivisions of this State, reported separately for:
  - (I) Cities and towns;
  - (II) School districts; and
  - (III) Other political subdivisions;
  - (2) Public officers:
  - (3) Establishments where alcoholic beverages are sold;
  - (4) Facilities for the care of children;
  - (5) Labor, fraternal or religious organizations; and
- (6) Officers or directors of organizations formed pursuant to title 7 of NRS, reported separately for nonprofit entities and entities organized for profit;
  - (b) Liability insurance for:
    - (1) Defective products;
    - (2) Medical or dental malpractice of:

- (I) A practitioner licensed pursuant to chapter 630, 630A, 631, 632, 633, 634, 634A, 635, 636, 637, 637B, 639 or 640 of NRS [;] or who holds a license or limited license issued pursuant to sections 22 to 51, inclusive, of this act;
  - (II) A hospital or other health care facility; or
  - (III) Any related corporate entity [.];
  - (3) Malpractice of attorneys;
  - (4) Malpractice of architects and engineers; and
  - (5) Errors and omissions by other professionally qualified persons;
  - (c) Vehicle insurance, reported separately for:
    - (1) Private vehicles;
    - (2) Commercial vehicles;
    - (3) Liability insurance; and
  - (4) Insurance for property damage;
  - (d) Workers' compensation insurance; and
- (e) In addition to any information provided pursuant to subparagraph (2) of paragraph (b) or NRS 690B.260, a policy of insurance for medical malpractice. As used in this paragraph, "policy of insurance for medical malpractice" has the meaning ascribed to it in NRS 679B.144.
- 2. The Commissioner may require that the report include, without limitation, information specifically pertaining to this State or to an insurer in its entirety, in the aggregate or by type of insurance, and for a previous or current year, regarding:
  - (a) Premiums directly written;
  - (b) Premiums directly earned;
  - (c) Number of policies issued;
  - (d) Net investment income, using appropriate estimates when necessary;
  - (e) Losses paid;
  - (f) Losses incurred;
  - (g) Loss reserves, including:
    - (1) Losses unpaid on reported claims; and
    - (2) Losses unpaid on incurred but not reported claims;
  - (h) Number of claims, including:
  - (1) Claims paid; and
  - (2) Claims that have arisen but are unpaid;
- (i) Expenses for adjustment of losses, including allocated and unallocated losses;
  - (i) Net underwriting gain or loss;
- (k) Net operation gain or loss, including net investment income; and
- (1) Any other information requested by the Commissioner.
- 3. The Commissioner may also obtain, based upon an insurer in its entirety, information regarding:
  - (a) Recoverable federal income tax;
  - (b) Net unrealized capital gain or loss; and
  - (c) All other expenses not included in subsection 2.

Sec. 69. NRS 686A.2825 is hereby amended to read as follows: 686A.2825 "Practitioner" means:

- 1. A physician, dentist, nurse, dispensing optician, optometrist, physical therapist, podiatric physician, psychologist, chiropractor, doctor of Oriental medicine in any form, director or technician of a medical laboratory, pharmacist, person who holds a license to engage in radiation therapy and radiologic imaging or a limited license to engage in radiologic imaging pursuant to sections 22 to 51, inclusive, of this act or other provider of health services who is authorized to engage in his or her occupation by the laws of this state or another state; and
  - 2. An attorney admitted to practice law in this state or any other state.

Sec. 70. NRS 686B.030 is hereby amended to read as follows:

686B.030 1. Except as otherwise provided in subsection 2 and NRS 686B.125, the provisions of NRS 686B.010 to 686B.1799, inclusive, apply to all kinds and lines of direct insurance written on risks or operations in this State by any insurer authorized to do business in this State, except:

- (a) Ocean marine insurance;
- (b) Contracts issued by fraternal benefit societies;
- (c) Life insurance and credit life insurance;
- (d) Variable and fixed annuities:
- (e) Credit accident and health insurance;
- (f) Property insurance for business and commercial risks;
- (g) Casualty insurance for business and commercial risks other than insurance covering the liability of a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS [;] or who holds a license or limited license issued pursuant to sections 22 to 51, inclusive, of this act;
  - (h) Surety insurance;
- (i) Health insurance offered through a group health plan maintained by a large employer; and
  - (j) Credit involuntary unemployment insurance.
- 2. The exclusions set forth in paragraphs (f) and (g) of subsection 1 extend only to issues related to the determination or approval of premium rates.
  - Sec. 71. NRS 690B.250 is hereby amended to read as follows:

690B.250 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 or who holds a license or limited license issued pursuant to sections 22 to 51, inclusive, of this act for a breach of his or her professional duty toward a patient shall report to the board which licensed the practitioner within 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 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 or who holds a license or limited license issued pursuant to sections 22 to 51, inclusive, of this act who does not have insurance covering liability for

a breach of his or her professional duty toward a patient shall report to the board which issued the practitioner's license within 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 the practitioner's name, the name 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. 72. NRS 690B.320 is hereby amended to read as follows:
- 690B.320 1. If an insurer offers to issue a claims-made policy to a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS [13] or who holds a license or limited license issued pursuant to sections 22 to 51, inclusive, of this act, 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.
- 3. The requirements set forth in this section are in addition to the requirements set forth in NRS 690B.290.
  - Sec. 72.3. Section 32 of this act is hereby amended to read as follows:
    - Sec. 32. The provisions of this chapter do not apply to:
    - 1. A physician or physician assistant licensed pursuant to chapter 630 or 633 of NRS.
      - 2. A dentist licensed pursuant to chapter 631 of NRS.

- 3. A chiropractic physician or chiropractor's assistant licensed pursuant to chapter 634 of NRS.
- 4. A person training to become a chiropractor's assistant or a student practicing in the preceptor program established by the Chiropractic Physicians' Board of Nevada pursuant to NRS 634.1375.
- 5. A podiatric physician <u>or podiatry hygienist</u> licensed pursuant to chapter 635 of NRS \(\overline{\operatorname{H}}\), or a person training to be a podiatry hygienist.
- 6. The administration of radiation to nonhuman animals for any purpose, including, without limitation, therapy or imaging.
- 7. The performance of mammography in accordance with NRS 457.182 to 457.187, inclusive.
- Sec. 72.6. Section 35 of this act is hereby amended to read as follows:
  - Sec. 35. 1. Except as otherwise provided in sections 42, 43 [and] , 56 and 62 of this act, a person shall not engage in:
  - (a) Radiologic imaging unless he or she has obtained a license or limited license from the Division.
  - (b) Radiation therapy unless he or she has obtained a license from the Division.
  - (c) Radiation therapy or radiologic imaging which is outside the scope of practice authorized for his or her license or limited license by the regulations adopted pursuant to section 34 of this act.
  - 2. A person who wishes to obtain or renew a license or limited license must apply to the Division in the form prescribed by the Division.
  - 3. A license or limited license expires 2 years after the date on which the license was issued and must be renewed on or before that date.
  - 4. The Division shall not issue or renew a license or limited license unless the applicant for issuance or renewal of the license or limited license attests to knowledge of and compliance with the guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices.
  - 5. A provisional license or provisional limited license may not be renewed and expires:
  - (a) On the date on which the holder of the provisional license or provisional limited license is issued a license or limited license by the Division:
  - (b) On the date on which the application of the holder of the provisional license or provisional limited license for a license or limited license is denied by the Division; or
  - (c) One year after the date on which the holder of the provisional license or provisional limited license is initially employed to engage in radiation therapy or radiologic imaging.

- 6. A person who engages in radiation therapy or radiologic imaging in violation of the provisions of this section is guilty of a misdemeanor. Sec. 73. Section 40 of this act is hereby amended to read as follows:
- Sec. 40. 1. In addition to any other requirements set forth in this chapter  $\frac{1}{2}$ :
  - (a) An applicant for the issuance of a license or limited license shall include the social security number of the applicant in the application submitted to the Division.
  - —(b) An], an applicant for the issuance or renewal of a license or limited license shall submit to the Division the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
  - 2. The Division shall include the statement required pursuant to subsection 1 in:
  - (a) The application or any other forms that must be submitted for the issuance or renewal of the license or limited license; or
    - (b) A separate form prescribed by the Division.
  - 3. A license or limited license may not be issued or renewed by the Division if the applicant:
    - (a) Fails to submit the statement required pursuant to subsection 1; or
  - (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
  - 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Division shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.
- Sec. 73.5. Section 47 of this act is hereby amended to read as follows:
  - Sec. 47. 1. Except as otherwise provided in this section, any authorized representative of the Division may:
  - (a) Enter and inspect at any reasonable time any private or public property on which radiation therapy or radiologic imaging is conducted for the purpose of determining whether a violation of the provisions of this chapter or the regulations adopted pursuant thereto has occurred or is occurring. The owner, occupant or person responsible for such property shall permit such entry and inspection. An owner, occupant or person responsible for such property who fails to permit such entry and inspection is guilty of a misdemeanor.

- (b) Request any information necessary to ensure that any person who engages in radiation therapy or radiologic imaging meets any requirements specified by this chapter or section 56 <u>or 62</u> of this act, as applicable, concerning the radiation therapy or radiologic imaging in which the person engages.
- 2. An authorized representative of the Division may only enter an area that is subject to the jurisdiction of the Federal Government if the authorized representative obtains the consent of the Federal Government or its duly designated representative.
- 3. Any report of an investigation or inspection conducted pursuant to paragraph (a) of subsection 1 and any information requested pursuant to paragraph (b) of subsection 1 shall not be disclosed or made available for public inspection, except as otherwise provided in NRS 239.0115 or as may be necessary to carry out the responsibilities of the Division.
- Sec. 74. As soon as practicable after the effective date of this <del>[act,]</del> section, the Governor shall appoint to the Radiation Therapy and Radiologic Imaging Advisory Committee created by section 33 of this act:
- 1. One member pursuant to paragraph (g) of subsection 2 of section 33 of this act to an initial term commencing on July 1, 2019, and expiring on June 30, 2020.
- 2. One member each pursuant to paragraphs (d), (e) and (f) of subsection 2 of section 33 of this act to initial terms commencing on July 1, 2019, and expiring on June 30, 2021.
- 3. One member each pursuant to paragraphs (a), (b) and (c) of subsection 2 of section 33 of this act to initial terms commencing on July 1, 2019, and expiring on June 30, 2022.
- Sec. 75. 1. If the Board of Dental Examiners of Nevada [or the Chiropractic Physicians' Board of Nevada] has adopted regulations that satisfy the requirements of section 56 [or 60] of this act\_[, as applicable,] before January 1, 2020, those regulations continue in effect and the [respective board] Board shall be deemed to be in compliance with the applicable section.
  - 2. [Notwithstanding the amendatory provisions of this act:
- (a) A certificate to operate a radiation machine for mammography issued pursuant to NRS 457.183 remains valid until the date of its expiration, if the holder of the certificate otherwise remains qualified for the issuance or renewal of the certificate.
- (b) Any regulations adopted by the State Board of Health pursuant to NRS 457.065 prescribing standards for the training and performance of a person who operates a radiation machine for mammography remain in effect and may be enforced by the Division of Public and Behavioral Health of the Department of Health and Human Services as if those regulations were adopted pursuant to section 34 of this act.] Notwithstanding the requirements of sections 36 and 37 of this act, the Division of Public and Behavioral Health of the Department of Health and Human Services shall issue a license or a

limited license, as applicable, to the scope of practice of the person, to any person who:

- (a) Is performing radiation therapy or radiologic imaging as part of his or her employment on or before January 1, 2020;
- (b) Registers with the Division; and
- (c) Provides any information requested by the Division.
- 3. As used in this section:
- (a) "License" has the meaning ascribed to it in section 26 of this act.
- (b) "Limited license" has the meaning ascribed to it in section 27 of this act.
- (c) "Radiation therapy" has the meaning ascribed to it in section 29 of this act.
- (d) "Radiologic imaging" has the meaning ascribed to it in section 30 of this act.
- 3. The Division of Public and Behavioral Health of the Department of Health and Human Services shall not require the payment of a fee for the issuance of a license or limited license pursuant to subsection 2.
- Sec. 76. [NRS 457.183, 457.1833, 457.1837 and 457.1853 are hereby repealed.] (Deleted by amendment.)
- Sec. 77. 1. This section and sections 1, 21, 74 and 75 of this act become effective upon passage and approval.
- 2. Sections 2 to 20, inclusive, and 22 to 61, inclusive, and 64 to 72, inclusive, [and 76] of this act become effective upon passage and approval for the purpose of adopting regulations and performing any other administrative tasks that are necessary to carry out the provisions of this act and on January 1, 2020, for all other purposes.
  - 3. Sections 62, 63, 72.6 and 73.5 of this act:
- (a) Become effective on January 1, 2020, only if regulations adopted by the State Board of Podiatry pursuant to NRS 635.030 prescribing the conditions under which a podiatry hygienist or a person training to be a podiatry hygienist may engage in radiation therapy and radiologic imaging have not become effective before that date; and
- (b) Expire by limitation on the date on which regulations adopted by the State Board of Podiatry pursuant to NRS 635.030 prescribing the conditions under which a podiatry hygienist or a person training to be a podiatry hygienist may engage in radiation therapy and radiologic imaging become effective.
- 4. Section 72.3 of this act becomes effective on January 1, 2020, or the date on which regulations adopted by the State Board of Podiatry pursuant to NRS 635.030 prescribing the conditions under which a podiatry hygienist or a person training to be a podiatry hygienist may engage in radiation therapy and radiologic imaging become effective, whichever is later.
- <u>5.</u> Section 73 of this act becomes effective 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:

- (a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or 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, → are repealed by the Congress of the United States.
- [4.] 6. Sections 50 and 73 of this act expire by limitation 2 years after 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:
- (a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or 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, →are repealed by the Congress of the United States.

## TEXT OF REPEALED SECTIONS

- 457.183 Requirements for operation of radiation machine for mammography; qualifications for certificate of authorization; expiration of certificate; requirements for continuing education; fee for renewal.
- 1. A person shall not operate a radiation machine for mammography unless the person:
- (a) Has a certificate of authorization to operate a radiation machine issued by the Division: or
- (b) Is licensed pursuant to chapter 630 or 633 of NRS.
- 2. To obtain a certificate of authorization to operate a radiation machine for mammagraphy. a person must
- (a) Submit an application to the Division on a form provided by the Division and provide any additional information required by the Division:
- (b) Be certified by the American Registry of Radiologic Technologists or meet the standards established by the Division pursuant to subsection 1 of NRS 457.065;
- (e) Pass an examination if the Division determines that an examination for certification is necessary to protect the health and safety of the residents of this State:
- (d) Submit the statement required pursuant to NRS 457.1833; and
- (e) Pay the fee required by the Division, which must be calculated to cover the administrative costs directly related to the process of issuing the certificates.
- 3. An application for the issuance of a certificate of authorization to operate a radiation machine for mammography must include the social security number of the applicant.
- 4. The Division shall certify a person to operate a radiation machine for mammography if the person complies with the provisions of subsection 2 and meets the standards adopted pursuant to subsection 1 of NRS 457.065.

- 5. A certificate of authorization to operate a radiation machine for mammography expires 3 years after the date on which it was issued unless it is renewed before that date. The Division shall require continuing education as a prerequisite to the renewal of a certificate and shall charge a fee for renewal that is calculated to cover the administrative costs directly related to the renewal of a certificate.
- <u>6. A person who is certified to operate a radiation machine for mammography pursuant to this section shall not operate such a machine without a valid certificate of authorization issued pursuant to NRS 457.184 for the machine.</u>
- —457.1833 Payment of child support: Statement by applicant for certificate of authorization; grounds for denial of certificate of authorization; duty of Division.
- 1. An applicant for the issuance or renewal of a certificate of authorization to operate a radiation machine for mammography shall submit to the Division the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
- 2. The Division shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the issuance or renewal of the certificate: or
- (b) A separate form prescribed by the Division.
- 3. A certificate of authorization to operate a radiation machine for mammography may not be issued or renewed by the Division if the applicant:
- (a) Fails to submit the statement required pursuant to subsection 1: or
- (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- 4. If an applicant indicates on the statement submitted pursuant to subsection I that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Division shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.
- —457.1837 Suspension of certificate of authorization for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of certificate of authority.
- —1. If the Division receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a certificate of authorization to operate a radiation machine for

mammography, the Division shall deem the certificate issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Division receives a letter issued to the holder of the certificate by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the certificate has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

- 2. The Division shall reinstate a certificate of authorization to operate a radiation machine for mammography that has been suspended by a district court pursuant to NRS 425.540 if the Division receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose certificate was suspended stating that the person whose certificate was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- <u>457.1853</u> Application for renewal of certificate: Information concerning state business license required; conditions which require denial.
- 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate of authorization to operate a radiation machine for mammography must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS.
- 2. A certificate of authorization to operate a radiation machine for mammography may not be renewed by the Division if:
- (a) The applicant fails to submit the information required by subsection 1;
- (b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
  - (1) Satisfied the debte
- (2) Entered into an agreement for the payment of the debt pursuant to
  - (3) Demonstrated that the debt is not valid.
- 2 As used in this section:
- (a) "Agency" has the meaning ascribed to it in NRS 353C.020.
- (b) "Debt" has the meaning ascribed to it in NRS 353C.040.]

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 60 makes various changes to Senate Bill No. 130. The amendment adds Senator Pete Goicoechea as a cosponsor; removes all applicable changes relating to mammography licensure; adds a new section exempting licensed mammographers from paying a fee to obtain a certificate of authorization to operate a radiation machine for mammography; clarifies that the Division of Behavioral and Public Health is prohibited from issuing or renewing a registration of a radiation machine unless the person employed to operate the machine is properly licensed or unless otherwise exempt; removes a radiological technologist from the composition of the Radiation Therapy and Radiologic Imaging Advisory Committee and instead requires a

medical physicist; removes language authorizing the State Board of Health to establish standards for the training and performance for persons who hold a certificate and requiring the Board to transfer money from fees to the State Treasurer for credit to the Fund for the Care of Sites; clarifies the scope of practice of a radiologic technologist under the supervision of a radiologist; authorizes a person who performs radiation therapy, radiologic imaging, computed tomography or fluoroscopy as part of his or her employment on January 1, 2020, to receive a license from the Division without meeting certain requirements established by this bill; removes sections 53 and 59, which require regulating physician's assistants; exempts from the licensing requirements of the bill a person working under a physician or a physician assistant's order in Rural Health Clinics and Federally Qualified Health Centers in counties of 55,000 or less, a physician's assistant, a chiropractor's assistant or a person actively training to become a chiropractor's assistant; removes sections 60 and 61, which require a chiropractor's assistant or a person actively training to become a chiropractor's assistant to obtain a license to engage in radiation therapy or radiological imaging. It also clarifies the use of fluoroscopy in radiation therapy departments, and requires the State Board of Podiatry to adopt regulations prescribing the conditions under which a podiatry hygienist or a person training to be a podiatry hygienist may engage in radiation therapy or radiologic imaging.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 171.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 374.

SUMMARY—Provides for the collection of information from certain providers of health care. (BDR 54-73)

AN ACT relating to health care; requiring certain [professional licensing boards that license, certify or register] providers of health care to [collect information from each applicant for the renewal of a license, certificate or registration;] complete a biennial data request; requiring the [Board of Regents of] Office of Statewide Initiatives of the University of Nevada\_, Reno, School of Medicine to establish and maintain [a database comprised of such] the information [t] collected using the data request; establishing the Health Care Workforce Working Group within the [University of Nevada School of Medicine] Office to analyze the information [in the database] and perform certain related duties; requiring the director of [a] certain medical [laboratory] laboratories to report the results of certain tests to the Chief Medical Officer and health authority; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes certain programs within the University of Nevada School of Medicine to ensure adequate access to health care in all areas of this State. (NRS 396.899-396.908) Section 14 of this bill requires the [Board of Regents] Office of Statewide Initiatives of the University of Nevada, Reno.

School of Medicine to develop and make available to certain licensing boards a data request to be administered to applicants to those boards for the renewal of a license, certificate or registration. Section 14 requires that data request to solicit from each applicant demographic information and certain information about the applicant's practice. Sections 1-8 of this bill require [:-(1)] each [applicant to those boards for the renewal] holder of a license, certificate or registration issued by those boards to complete the data request [; and (2) each licensing board to submit the information contained in each completed data request to the Board of Regents.] at least biennially. Section 14 requires the [Board of Regents] Office to [establish and] maintain [a database comprised off] such information.

Section 15 of this bill <del>[requires the Board of Regents to establish]</del> creates the Health Care Workforce Working Group. Section 16 of this bill prescribes the duties of the Working Group, which include: (1) developing the content of the data request; (2) analyzing the information feontained in the database; (2) collected using the data request; (3) publishing and periodically updating a short-term plan and a 5-year plan to improve access to health care in this State; and [(3)] (4) making recommendations to [professional licensing boards,] state agencies, the Governor and the Legislature fand certain state agencies concerning ways in which to attract more providers of health care to this State and improve health outcomes and public health. Section 14 authorizes the Working Group [and the Department of Health and Human Services] to access information fin the database from which personally identifiable information has been removed collected using the data request and publish faggregated such information [from the database.] in aggregated form that does not disclose the identity of any provider of health care. Section 14 also prescribes the conditions under which the information may be disclosed. Sections [1-9 and] 1-9.5, 14 and 15 of this bill provide that information collected using the data request is otherwise confidential. [Section 17 of this bill authorizes the Board of Regents to enter into contracts, apply for and accept gifts, grants and donations and adopt regulations to carry out the duties prescribed by this bill.

Existing law requires a laboratory director to notify the health authority of the identification by his or her medical laboratory of the presence of any communicable disease in the jurisdiction of that health authority. (NRS 441A.150) Section 19 of this bill requires the director of a medical laboratory , other than a medical laboratory operated by a hospital, to additionally report to the health authority the results of tests for certain markers of chronic disease. Section 18 of this bill provides for the reporting of such information to the Chief Medical Officer. Section 20 of this bill provides for the confidentiality of such information. Section 21 of this bill makes failure to submit the required reports a misdemeanor and authorizes the imposition of an administrative fine against the director of a medical laboratory who fails to submit a required report.

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

Section 1. Chapter 630 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto [+,+] and except as otherwise provided in this subsection, each applicant for the renewal of a license pursuant to this chapter or a biennial registration pursuant to NRS 630.267 shall complete the data request developed by the [Board of Regents of the University of Nevadal Office of Statewide Initiatives pursuant to section 14 of this act. If a license is required by the regulations adopted by the Board pursuant to NRS 630.275 or 630.279 to be renewed more frequently than once every 2 years, an applicant for the renewal of the license is only required to complete the data request once every odd-numbered year.
- 2. The Board shall <del>[submit the information contained in each data request completed pursuant to subsection 1 to the Board of Regents of the University of Nevada for inclusion in the database established pursuant to section 14 of this act.]</del> make the data request described in subsection 1 available to applicants for the renewal of a license or a biennial registration through a link included on an Internet website maintained by the Board or an electronic application for the renewal of a license or registration, as applicable.
- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by [subsection 2,] section 14 of this act, must not be disclosed to any person or entity.
- 4. The renewal of a license or biennial registration must not depend on any response to the data request described in subsection 1.
- 5. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
- Sec. 2. Chapter 631 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto [4,4] and except as otherwise provided in this subsection, each applicant for the renewal of a license pursuant to this chapter shall complete the data request developed by the [4] Heard of Regents of the University of Nevada of Statewide Initiatives pursuant to section 14 of this act. An applicant for the renewal of a license issued pursuant to NRS 631.271, 631.2715 or 631.275 is not required to complete the data request in even-numbered years.
- 2. The Board shall <del>[submit the information contained in each data request completed pursuant to subsection I to the Board of Regents of the University of Nevada for inclusion in the database established pursuant to section 14 of this act.] make the data request described in subsection I available to applicants for the renewal of a license through a link included on an Internet website maintained by the Board or an electronic application for the renewal of a license.</del>

- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by [subsection 2,] section 14 of this act, must not be disclosed to any person or entity.
- 4. The renewal of a license must not depend on any response to the data request described in subsection 1.
- 5. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
- Sec. 3. Chapter 632 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto, each applicant for the renewal of a license or certificate pursuant to this chapter shall complete the data request developed by the [Board of Regents of the University of Nevada] Office of Statewide Initiatives pursuant to section 14 of this act.
- 2. The Board shall <del>[submit the information contained in each data request completed pursuant to subsection 1 to the Board of Regents of the University of Nevada for inclusion in the database established pursuant to section 14 of this act.] make the data request described in subsection 1 available to applicants for the renewal of a license or certificate through a link included on an Internet website maintained by the Board or an electronic application for the renewal of a license.</del>
- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by [subsection 2,] section 14 of this act, must not be disclosed to any person or entity.
- 4. The renewal of a license or certificate must not depend on any response to the data request described in subsection 1.
- 5. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
- Sec. 4. Chapter 633 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto, each applicant for the renewal of a license pursuant to this chapter <u>in an odd-numbered year</u> shall complete the data request developed by the <del>[Board of Regents of the University of Nevada]</del> Office of Statewide Initiatives pursuant to section 14 of this act.
- 2. The Board shall <del>[submit the information contained in each data request completed pursuant to subsection 1 to the Board of Regents of the University of Nevada for inclusion in the database established pursuant to section 14 of this act.]</del> make the data request described in subsection 1 available to applicants for the renewal of a license through a link included on an Internet website maintained by the Board or an electronic application for the renewal of a license.
- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by [subsection 2,] section 14 of this act, must not be disclosed to any person or entity.

- 4. The renewal of a license must not depend on any response to the data request described in subsection 1.
- 5. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
- Sec. 5. Chapter 639 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto, each applicant for the renewal of registration as a pharmacist, intern pharmacist, pharmaceutical technician or pharmaceutical technician in training pursuant to this chapter shall complete the data request developed by the [Board of Regents of the University of Nevada] Office of Statewide Initiatives pursuant to section 14 of this act.
- 2. The Board shall [submit the information contained in each data request completed pursuant to subsection 1 to the Board of Regents of the University of Nevada for inclusion in the database established pursuant to section 14 of this act.] make the data request described in subsection 1 available to applicants for the renewal of registration through a link included on an Internet website maintained by the Board or an electronic application for the renewal of registration.
- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by [subsection 2,] section 14 of this act, must not be disclosed to any person or entity.
- 4. The renewal of a license must not depend on any response to the data request described in subsection 1.
- 5. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
- Sec. 6. Chapter 641 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto, each applicant for the renewal of a license or registration pursuant to this chapter shall complete the data request developed by the [Board of Regents of the University of Nevada] Office of Statewide Initiatives pursuant to section 14 of this act. An applicant for the renewal of registration as a psychological assistant pursuant to NRS 641.226 is not required to complete the data request in an even-numbered year.
- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by [subsection 2,] section 14 of this act, must not be disclosed to any person or entity.

- 4. The renewal of a license or registration must not depend on any response to the data request described in subsection 1.
- 5. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
- Sec. 7. Chapter 641A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto, each applicant for the renewal of a license pursuant to this chapter in an odd-numbered year shall complete the data request developed by the {Board of Regents of the University of Nevada} Office of Statewide Initiatives pursuant to section 14 of this act.
- 2. The Board shall [submit the information contained in each data request completed pursuant to subsection 1 to the Board of Regents of the University of Nevada for inclusion in the database established pursuant to section 14 of this act.] make the data request described in subsection 1 available to applicants for the renewal of a license through a link included on an Internet website maintained by the Board or an electronic application for the renewal of a license.
- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by <del>[subsection 2,]</del> section 14 of this act, must not be disclosed to any person or entity.
- 4. The renewal of a license must not depend on any response to the data request described in subsection 1.
- 5. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
- Sec. 8. Chapter 641B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to any other requirements set forth in this chapter and any regulations adopted pursuant thereto, each applicant for the renewal of a license pursuant to this chapter shall complete the data request developed by the {Board of Regents of the University of Nevada} Office of Statewide Initiatives pursuant to section 14 of this act.
- 2. The Board shall <del>[submit the information contained in each data request completed pursuant to subsection 1 to the Board of Regents of the University of Nevada for inclusion in the database established pursuant to section 14 of this act.] make the data request described in subsection 1 available to applicants for the renewal of a license through a link included on an Internet website maintained by the Board or an electronic application for the renewal of a license.</del>
- 3. The information contained in the data requests completed pursuant to subsection 1 is confidential and, except as required by [subsection 2,] section 14 of this act, must not be disclosed to any person or entity.
- 4. The renewal of a license must not depend on any response to the data request described in subsection 1.

- 5. The renewal of a license must not depend on any response to the data request described in subsection 1.
- 6. As used in this section, "Office of Statewide Initiatives" has the meaning ascribed to the term "Office" in section 11.5 of this act.
  - Sec. 9. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.035, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 433.534, 433A.360, 437.145, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 445A.665, 445B.570, 449.209, 449.245, 449A.112, 450.140, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846,

463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.365, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.325, 641A.191, 641A.289, 641B.170, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, and sections 1 to 8, inclusive, and 14 of this act, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential

information from the information included in the public book or record that is not otherwise confidential.

- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
  - Sec. 9.5. NRS 241.016 is hereby amended to read as follows:
- 241.016 1. The meetings of a public body that are quasi-judicial in nature are subject to the provisions of this chapter.
  - 2. The following are exempt from the requirements of this chapter:
  - (a) The Legislature of the State of Nevada.
- (b) Judicial proceedings, including, without limitation, proceedings before the Commission on Judicial Selection and, except as otherwise provided in NRS 1.4687, the Commission on Judicial Discipline.
- (c) Meetings of the State Board of Parole Commissioners when acting to grant, deny, continue or revoke the parole of a prisoner or to establish or modify the terms of the parole of a prisoner.
- 3. Any provision of law, including, without limitation, NRS 91.270, 219A.210, 228.495, 239C.140, 281A.350, 281A.690, 281A.735, 281A.760, 284.3629, 286.150, 287.0415, 287.04345, 287.338, 288.220, 289.387, 295.121, 360.247, 388.261, 388A.495, 388C.150, 388G.710, 388G.730, 392.147, 392.467, 394.1699, 396.3295, 433.534, 435.610, 463.110, 622.320, 622.340, 630.311, 630.336, 631.3635, 639.050, 642.518, 642.557, 686B.170, 696B.550, 703.196 and 706.1725 [ and section 15 of this act, which:
- (a) Provides that any meeting, hearing or other proceeding is not subject to the provisions of this chapter; or
- (b) Otherwise authorizes or requires a closed meeting, hearing or proceeding,
- prevails over the general provisions of this chapter.
- 4. The exceptions provided to this chapter, and electronic communication, must not be used to circumvent the spirit or letter of this chapter to deliberate or act, outside of an open and public meeting, upon a matter over which the public body has supervision, control, jurisdiction or advisory powers.
- Sec. 10. Chapter 396 of NRS is hereby amended by adding thereto the provisions set forth as sections 11 to 17, inclusive, of this act.
- Sec. 11. As used in sections 11 to 17, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 11.5, 12 and 13 of this act have the meanings ascribed to them in those sections.
- Sec. 11.5. "Office" means the Office of Statewide Initiatives at the University of Nevada, Reno, School of Medicine, its successor office or, if that

office ceases to exist, a similar office within the University of Nevada, Reno, School of Medicine selected by the Board of Regents.

Sec. 12. "Provider of health care" means a person:

- 1. Licensed, certified or registered pursuant to chapter 630, 631, 632, 633, 641, 641A or 641B of NRS; or
  - 2. Registered pursuant to chapter 639 of NRS.
- Sec. 13. "Working Group" means the Health Care Workforce Working Group established pursuant to section 15 of this act.
- Sec. 14. 1. The [Board of Regents] Office shall develop and make available to each professional licensing board that licenses, certifies or registers providers of health care an electronic data request to be completed by an applicant for the renewal of such a license, certificate or registration. The electronic data request must solicit from each such applicant:
  - (a) The name of the applicant;
- (b) The electronic mail address of the applicant;
- (c) The type of license or registration held by the applicant;
- (d) The applicant's license, certificate or registration number;
- (e) The registration number issued to the applicant by the Drug Enforcement Administration, if applicable;
- (f) The <del>[gender,]</del> race, <del>[and]</del> ethnicity, ancestry, national origin, color, sex, sexual orientation, gender identity or expression and any physical or mental disability of the applicant;
- {(b)} (g) The primary language spoken by the applicant and any other language spoken by the applicant;
  - f(e) The specialty area in which the applicant practices;
- $\frac{\{(d)\}}{\{(i)\}}$  (i) The county of this State in which the applicant spends the majority of his or her working hours;
- (j) The [number] address of [locations in this State and other jurisdictions] each location at which the applicant practices [;] or intends to practice and the percentage of working hours spent by the applicant at each location;
- $\frac{\{(e)\}}{\{(k)\}}$  The type of practice in which the applicant engages, including, without limitation, private practice, government or nonprofit;
- <del>[(f)]</del> <u>(l)</u> The settings in which the applicant practices, including, without limitation, hospitals, clinics and academic settings;
- $\frac{\{(g)\}}{m}$  The education and primary and secondary specialties of the applicant;
- $\frac{\{(h)\}}{\{(n)\}}$  The average number of hours worked per week by the applicant and the total number of weeks worked by the applicant during the immediately preceding calendar year;
- <del>[(i)]</del> (o) The percentages of working hours during which the applicant engages in patient care and other activities, including, without limitation, teaching, research and administration;
- [(j)] (p) Any planned major changes to the practice of the applicant, including, without limitation, retirement, relocation or significant changes in working hours;

- $\frac{\{(k)\}}{\{(q)\}}$  Costs incurred by the applicant or his or her employer for professional liability coverage for the applicant and any difficulty encountered by the applicant or his or her employer in procuring such coverage; and
- [(t)] (r) Any other information [prescribed by regulation of the Board of Regents.] included in the data request by the Working Group.
- 2. Except as otherwise provided in this subsection, an applicant for the renewal of a license, certificate or registration who is required to complete the data request pursuant to sections 1 to 8, inclusive, of this act must provide all information required by subsection 1. The electronic data request must allow such an applicant to refuse to provide the information described in paragraphs (f) and (r) of subsection 1. The Working Group may make optional the provision of any other information described in subsection 1.
- 3. The [Board of Regents] Office shall [establish] collect and maintain [a database of] the information collected pursuant to subsection 1. [Personally identifiable information contained in the database is confidential and must not be disclosed to any person or entity.]
- [3.] 4. Except as otherwise provided in this subsection [,] and subsection 5, information [contained in the database] maintained pursuant to this section is confidential. The [Department of Health and Human Services, any Division thereof and the Working Group may:
- (a) Access data from the database that does not contain any information that could be used to identify an applicant for or holder of a license, certificate or registration as a provider of health care; and
- (b) Publish aggregated data from the database.] Office shall allow the Working Group unrestricted access to that information and provide that information:
- (a) In complete, unreducted form to the Department of Health and Human Services, the Division of Insurance of the Department of Business and Industry and the Department of Employment, Training and Rehabilitation quarterly and upon the request of the Director of the Department of Health and Human Services, the Commissioner of Insurance or the Director of the Department of Employment, Training and Rehabilitation, as applicable;
- (b) In an individualized form that does not reveal the identity of any provider of health care upon an affirmative vote of a majority of the members of the Working Group to any person or entity who has entered into a data sharing agreement with the Working Group; and
- (c) In aggregated form that does not reveal the identity of any provider of health care to any person or entity upon request.
- 5. The Office may publish aggregated information that does not reveal the identity of any provider of health care maintained pursuant to this section.
- Sec. 15. 1. The [Board of Regents shall establish the] Health Care Workforce Working Group is hereby created within the [University of Nevada School of Medicine.] Office. The [Board of Regents shall appoint to the] Working Group [providers of health care and representatives of:

  —(a) Groups] consists of:

- (a) One member who represents the Office, appointed by the person in charge of the Office;
- (b) One member who represents the Department of Health and Human Services, appointed by the Director of the Department;
- (c) One member who represents the Nevada System of Higher Education, appointed by the Board of Regents;
- (d) One member who represents the Division of Insurance of the Department of Business and Industry, appointed by the Commissioner of Insurance;
- (e) One member who represents the Office of Economic Development created in the Office of the Governor by NRS 231.043, appointed by the Executive Director of that Office;
- (f) One member who represents the Office of Workforce Innovation created in the Office of the Governor by NRS 223.800, appointed by the Executive Director of that Office; and
- (g) At least one, but not more than four, members appointed by the Office who are providers of health care or representatives of:
- (1) Groups that represent providers of health care and consumers of health care;
- [ (b) The System, universities, state colleges, community colleges and other institutions in this State that train providers of health care;
- (c) The Department of Education and the Department of Health and Human Services: and
- (d) Professional licensing boards that license, certify or register providers of health-care.]
- (2) Institutions, agencies or nonprofit organizations that study or work on issues related to access to health care or recruitment or education of providers of health care; or
- (3) Universities, colleges, including, without limitation, state colleges and community colleges, and other institutions in this State that educate persons who wish to become providers of health care.
- 2. The [Board of Regents] Working Group shall [appoint], by vote of a majority of its members, a Chair, Vice Chair and Secretary of the Working Group. The Working Group shall meet at the call of the Chair. A majority of the members of the Working Group constitutes a quorum and is required to transact any business of the Working Group.
- 3. The members of the Working Group serve without compensation and are not entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 4. A member of the Working Group who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Working Group and perform any work necessary to carry out the duties of the Working Group in the most timely manner practicable. A state agency

or political subdivision of this State shall not require an officer or employee who is a member of the Working Group to:

- (a) Make up the time he or she is absent from work to carry out his or her duties as a member of the Working Group; or
  - (b) Take annual leave or compensatory time for the absence.
- 5. <u>A member of the Working Group serves at the pleasure of the person or entity that appointed the member.</u>
- 6. The Working Group may close any portion of a meeting during which it considers information maintained pursuant to section 14 of this act.
- <u>7.</u> The [Board of Regents] Office shall provide such administrative support to the Working Group as is necessary to carry out the duties of the Working Group.

Sec. 16. The Working Group shall:

- 1. [Make recommendations to the Board of Regents concerning] Develop the content of the electronic data request developed pursuant to section 14 of this act [+;] and consult with experts concerning the design and content of the data request and other related issues as necessary;
- 2. Analyze the information <del>[contained in the database established]</del> maintained pursuant to section 14 of this act;
- 3. Make recommendations to <u>{the professional licensing boards described in section 14 of this act, the Department of Health and Human Services, the Department of Education, the Board of Regents}</u> state agencies, the Governor and the Legislature concerning ways in which to:
- (a) Attract more persons, including, without limitation, members of underrepresented groups, to pursue the education necessary to practice as a provider of health care and practice as a provider of health care in this State; and
  - (b) Improve health outcomes and public health in this State;
- 4. Publish and periodically update a short-term plan and a 5-year plan to improve access to health care in this State; and
- 5. On or before January 31 of each year, compile a report of its activities during the immediately preceding year and submit the report to the Director of the Legislative Counsel Bureau for transmittal to:
- (a) In even-numbered years, the Legislative Committee on Health Care; and
  - (b) In odd-numbered years, the next regular session of the Legislature.

Sec. 17. [The Board of Regents may:

- Adopt any regulations necessary to earry out the provisions of sections 11 to 17, inclusive, of this act;
- 2. Enter into any contracts or agreements necessary to carry out the provisions of sections 11 to 17, inclusive, of this act; and
- 3. Apply for and accept any gifts, grants and donations to earry out the provisions of sections 11 to 17, inclusive, of this act.] (Deleted by amendment.)

- Sec. 18. NRS 441A.120 is hereby amended to read as follows:
- 441A.120 1. The Board shall adopt regulations governing the control of communicable diseases in this State, including regulations specifically relating to the control of such diseases in educational, medical and correctional institutions. The regulations must specify:
  - (a) The diseases which are known to be communicable.
- (b) The communicable diseases which are known to be sexually transmitted.
- (c) The procedures for investigating and reporting cases or suspected cases of communicable diseases, including the time within which these actions must be taken.
- (d) For each communicable disease, the procedures for testing, treating, isolating and quarantining a person or group of persons who have been exposed to or have or are suspected of having the disease.
- (e) A method for ensuring that any testing, treatment, isolation or quarantine of a person or a group of persons pursuant to this chapter is carried out in the least restrictive manner or environment that is appropriate and acceptable under current medical and public health practices.
- 2. The Board shall adopt regulations governing the procedures for reporting cases or suspected cases of drug overdose and the results of the tests described in paragraph (b) of subsection 4 of NRS 441A.150 to the Chief Medical Officer or his or her designee, including the time within which such reports must be made and the information that such reports must include.
- 3. The duties set forth in the regulations adopted by the Board pursuant to subsection 1 must be performed by:
- (a) In a district in which there is a district health officer, the district health officer or the district health officer's designee; or
- (b) In any other area of the State, the Chief Medical Officer or the Chief Medical Officer's designee.
  - Sec. 19. NRS 441A.150 is hereby amended to read as follows:
- 441A.150 1. A provider of health care who knows of, or provides services to, a person who has or is suspected of having a communicable disease shall report that fact to the health authority in the manner prescribed by the regulations of the Board. If no provider of health care is providing services, each person having knowledge that another person has a communicable disease shall report that fact to the health authority in the manner prescribed by the regulations of the Board.
- 2. A provider of health care who knows of, or provides services to, a person who has suffered or is suspected of having suffered a drug overdose shall report that fact to the Chief Medical Officer or his or her designee in the manner prescribed by the regulations of the Board.
- 3. A medical facility in which more than one provider of health care may know of, or provide services to, a person who has or is suspected of having a communicable disease or who has suffered or is suspected of having suffered a drug overdose shall establish administrative procedures to ensure that the

health authority or Chief Medical Officer or his or her designee, as applicable, is notified.

- 4. A laboratory director shall, in the manner prescribed by the Board, notify the health authority of [the]:
- (a) The identification by his or her medical laboratory of the presence of any communicable disease in the jurisdiction of that health authority. The health authority shall not presume a diagnosis of a communicable disease on the basis of the notification received from the laboratory director.
- (b) [The] If the laboratory is not operated by a hospital, the results of each test performed at the laboratory for:
  - (1) Hemoglobin A1c;
  - (2) Cholesterol and lipids; and
- (3) Any other marker associated with chronic disease prescribed by regulation of the Board.
- 5. If more than one medical laboratory is involved in testing a specimen, the laboratory that is responsible for reporting the results of the testing directly to the provider of health care for the patient shall also be responsible for reporting to the health authority.
  - Sec. 20. NRS 441A.220 is hereby amended to read as follows:
- 441A.220 All information of a personal nature about any person provided by any other person reporting a case or suspected case of a communicable disease or drug overdose [.] or the results of a test for markers of chronic diseases, or by any person who has a communicable disease or has suffered a drug overdose, or as determined by investigation of the health authority, is confidential medical information and must not be disclosed to any person under any circumstances, including pursuant to any subpoena, search warrant or discovery proceeding, except:
  - 1. As otherwise provided in NRS 439.538.
- 2. For statistical purposes, provided that the identity of the person is not discernible from the information disclosed.
  - 3. In a prosecution for a violation of this chapter.
  - 4. In a proceeding for an injunction brought pursuant to this chapter.
- 5. In reporting the actual or suspected abuse or neglect of a child or elderly person.
- 6. To any person who has a medical need to know the information for his or her own protection or for the well-being of a patient or dependent person, as determined by the health authority in accordance with regulations of the Board.
- 7. If the person who is the subject of the information consents in writing to the disclosure.
  - 8. Pursuant to subsection 4 of NRS 441A.320 or NRS 629.069.
- 9. If the disclosure is made to the Department of Health and Human Services and the person about whom the disclosure is made has been diagnosed as having acquired immunodeficiency syndrome or an illness related to the

human immunodeficiency virus and is a recipient of or an applicant for Medicaid.

- 10. To a firefighter, police officer or person providing emergency medical services if the Board has determined that the information relates to a communicable disease significantly related to that occupation. The information must be disclosed in the manner prescribed by the Board.
- 11. If the disclosure is authorized or required by NRS 239.0115 or another specific statute.
  - Sec. 21. NRS 441A.920 is hereby amended to read as follows:
- 441A.920 Every provider of health care, medical facility or medical laboratory that willfully fails, neglects or refuses to comply with any regulation of the Board relating to the reporting of a communicable disease, [or] drug overdose or test for markers of chronic diseases or any requirement of this chapter is guilty of a misdemeanor and, in addition, may be subject to an administrative fine of \$1,000 for each violation, as determined by the Board.
- Sec. 21.5. 1. The members of the Health Care Workforce Working Group created by section 15 of this act must be appointed as soon as practicable.
- 2. The Health Care Workforce Working Group must hold its first meeting on or before October 1, 2019.
- Sec. 22. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
- Sec. 23. <u>1.</u> This <u>section and sections 10 to 17, inclusive, of this act <del>[becomes]</del> become effective <del>[on July 1, 2019.]</del> upon passage and approval.</u>
- 2. Sections 1 to 9, inclusive, and 18 to 22, inclusive, of this act become effective upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act and on October 1, 2019, for all other purposes.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 374 makes 11 changes to Senate Bill No. 171. The amendment replaces references to the "University of Nevada School of Medicine" and "Board of Regents of the University of Nevada" with "Office of Statewide Initiatives (OSI), University of Nevada, Reno School of Medicine"; amends the bill to require each applicant for the renewal of a license to complete the electronic data request on a biennial basis in odd-numbered years.

Additionally, the amendment provides that a renewal of a license or certificate is not dependent on any response to the data request. It provides the list of information that the electronic data request must include; eliminates the requirement to establish a database and instead requires OSI to collect and maintain the information submitted by an applicant for a renewal license.

The amendment requires OSI to provide individualized, identified data on a quarterly basis or upon request to the Department of Health and Human Services, the Division of Insurance from the Department of Business and Industry and the Department of Employment, Training and Rehabilitation; prohibits the OSI and State agencies from publishing or releasing data to a third party unless it is de-identified and aggregated, unless a third party enters into a data-sharing agreement with the Health Care Workforce Working Group; amends section 15 to provide the make-up of the Working Group and requires OSI to provide administrative support to the Working

Group; amends section 16 to establish the duties of the Working Group; deletes section 17, which authorizes the Board of Regents to establish regulations; amends section 19 to clarify that this section does not apply to a hospital's medical laboratory, and revises the effective date of this bill.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 187.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 406.

SUMMARY—Revises provisions governing prescriptions for controlled substances by a dentist, optometrist or physician for the treatment of pain. (BDR 54-39)

AN ACT relating to prescription drugs; revising requirements concerning [an evaluation and risk assessment conducted before] the issuance of certain prescriptions for a controlled substance: [by a dentist, optometrist or physicians,] and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires a practitioner, other than a veterinarian, to <u>obtain and review a medical history of a patient and perform</u> an evaluation and risk assessment of <del>[a] the patient before issuing an initial prescription to the patient for a controlled substance listed in schedule II, III or IV for the treatment of pain. (NRS 639.23911) <u>Section 2 of this bill requires a practitioner to perform these actions in a manner that is within the scope of practice of the practitioner and to the extent deemed appropriate by the practitioner.</u></del>

Existing law requires a practitioner, before issuing an initial prescription for certain controlled substances and at least once every 90 days thereafter, to obtain and review a patient utilization report from the computerized program established to track prescriptions for controlled substances. (NRS 639.23507) Section 2 includes this review of a patient utilization report in the required evaluation and risk assessment.

Existing law requires [such] an evaluation and risk assessment to include a physical examination and a good faith effort to obtain and review the medical records of the patient from any other provider of health care who has provided care to the patient. (NRS 639.23912) If the prescription is for the treatment of acute pain for less than 7 days, section 2 [of this bill] authorizes a dentist or optometrist to [: (1) conduct a physical examination of only the oral cavity or eyes, as applicable, of the patient in lieu of conducting a full physical examination; and (2)] forego the review of medical records. If the prescription is for less than 14 days, section 2 similarly authorizes a physician to [: (1) conduct a physical examination of the patient within the scope of practice

of the physician and to the extent deemed appropriate by the physician; and (2)] forego the review of medical records. Section 2 also authorizes a [dentist, optometrist or] physician to renew such a prescription without conducting a full physical examination or a review of medical records if the [dentist, optometrist or] physician determines the renewal is medically appropriate. Section 2 additionally provides that a practitioner is only required to make a good faith effort to obtain and review the medical records of the patient from a provider of health care who has a similar scope of practice to the practitioner. Section 1 of this bill makes conforming changes.

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

Section 1. NRS 639.23911 is hereby amended to read as follows:

- 639.23911 1. Before issuing an initial prescription for a controlled substance listed in schedule II, III or IV for the treatment of pain, a practitioner, other than a veterinarian, must:
- (a) Have established a bona fide relationship, as described in subsection 4 of NRS 639.235, with the patient;
- (b) Perform an evaluation and risk assessment of the patient that meets the requirements of [subsection 1 of] NRS 639.23912;
- (c) Establish a preliminary diagnosis of the patient and a treatment plan tailored toward treating the pain of the patient and the cause of that pain;
- (d) Document in the medical record of the patient the reasons for prescribing the controlled substance instead of an alternative treatment that does not require the use of a controlled substance; and
- (e) Obtain informed written consent to the use of the controlled substance that meets the requirements of subsection  $\frac{2-5}{4}$  of NRS 639.23912 from:
- (1) The patient, if the patient is 18 years of age or older or legally emancipated and has the capacity to give such consent;
- (2) The parent or guardian of a patient who is less than 18 years of age and not legally emancipated; or
- (3) The legal guardian of a patient of any age who has been adjudicated mentally incapacitated.
- 2. If a practitioner, other than a veterinarian, prescribes a controlled substance listed in schedule II, III or IV for the treatment of pain, the practitioner shall not issue more than one additional prescription that increases the dose of the controlled substance unless the practitioner meets with the patient, in person or using telehealth, to reevaluate the treatment plan established pursuant to paragraph (c) of subsection 1.
  - Sec. 2. NRS 639.23912 is hereby amended to read as follows:
- 639.23912 1. [An] Except as otherwise provided in subsections 2 and 3, an evaluation and risk assessment of a patient conducted pursuant to paragraph (b) of subsection 1 of NRS 639.23911 must include, without limitation:

- (a) Obtaining and reviewing a medical history of the patient [+] in a manner that is within the scope of practice of the practitioner and to the extent deemed appropriate by the practitioner.
- (b) Conducting a physical examination of the patient [.] in a manner that is within the scope of practice of the practitioner and to the extent deemed appropriate by the practitioner.
- (c) Making a good faith effort to obtain and review the medical records of the patient from any other provider of health care who has <u>a similar scope of practice to the scope of practice of the practitioner and has</u> provided care to the patient. The practitioner shall document efforts to obtain such medical records and the conclusions from reviewing any such medical records in the medical record of the patient.
- (d) Assessing the mental health and risk of abuse, dependency and addiction of the patient using methods supported by peer-reviewed scientific research and validated by a nationally recognized organization.
- (e) Complying with the requirements of NRS 639.23507.
- 2. A dentist or optometrist who conducts an evaluation and risk assessment of a patient pursuant to paragraph (b) of subsection 1 of NRS 639.23911 for a prescription for a controlled substance listed in schedule II, III or IV for the treatment of acute pain which is for less than 7 days is not required to comply with the provisions of paragraph \(\frac{\left(b) \ or \right]}{\left(c)\) of subsection 1. \(\frac{\left(b) \ or \right)}{\left(c)\) or eyes, as applicable, of the patient.\(\frac{\left(c)}{\left(c)\)}
- 3. A physician who conducts an evaluation and risk assessment of a patient pursuant to paragraph (b) of subsection 1 of NRS 639.23911 for a prescription for a controlled substance listed in schedule II, III or IV for the treatment of pain which is for less than 14 days is not required to comply with the provisions of paragraph \(\frac{f(b) \ orf}{c}\) (c) of subsection \(1 \text{. } \frac{f, \ but must conduct \ a}{c}\) physicial examination within the scope of practice of the physician and to the extent deemed appropriate by the physician.
- 4.] A [dentist, optometrist or] physician may renew a prescription issued pursuant to this subsection [2 or 3] for any length of time if the [dentist, optometrist or] physician determines that the renewal is medically appropriate and complies with the requirements of NRS 639.23913 and 639.23914, to the extent appropriate.
- [5.] 4. The informed written consent obtained pursuant to paragraph (e) of subsection 1 of NRS 639.23911 must include, without limitation, information concerning:
- (a) The potential risks and benefits of treatment using the controlled substance, including if a form of the controlled substance that is designed to deter abuse is available, the risks and benefits of using that form;
  - (b) Proper use of the controlled substance;
- (c) Any alternative means of treating the symptoms of the patient and the cause of such symptoms;

- (d) The important provisions of the treatment plan established for the patient pursuant to paragraph (c) of subsection 1 of NRS 639.23911 in a clear and simple manner;
- (e) The risks of dependency, addiction and overdose during treatment using the controlled substance;
  - (f) Methods to safely store and legally dispose of the controlled substance;
- (g) The manner in which the practitioner will address requests for refills of the prescription, including, without limitation, an explanation of the provisions of NRS 639.23913, if applicable;
- (h) If the patient is a woman between 15 and 45 years of age, the risk to a fetus of chronic exposure to controlled substances during pregnancy, including, without limitation, the risks of fetal dependency on the controlled substance and neonatal abstinence syndrome;
- (i) If the controlled substance is an opioid, the availability of an opioid antagonist, as defined in NRS 453C.040, without a prescription; and
- (j) If the patient is an unemancipated minor, the risks that the minor will abuse or misuse the controlled substance or divert the controlled substance for use by another person and ways to detect such abuse, misuse or diversion.
  - Sec. 3. This act becomes effective on July 1, 2019.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 406 makes five changes to Senate Bill No. 187. The amendment clarifies that before prescribing an initial prescription for controlled substances, a practitioner must obtain and review the medical history of a patient and conduct a physical examination within the scope of practice of the practitioner and to the extent deemed appropriate by the practitioner; provides that a practitioner must review the patient utilization report under the Nevada Prescription Monitoring Program when conducting an evaluation and risk assessment of a patient before issuing an initial prescription for a controlled substance.

It provides that when prescribing a controlled substance for the treatment of acute pain for less than seven days, a dentist and optometrist are not required to obtain or review the medical records of the patient from any other provider of health care who has a similar scope of practice to the scope of practice of the practitioner; provides that when prescribing a controlled substance for the treatment of acute pain for less than 14 days, a physician is not required to obtain and review the medical records of the patient from any other provider of health care who has a similar scope of practice to the scope of practice of the practitioner, and amends the bill to remove provisions authorizing a dentist or optometrist to renew an initial prescription of a controlled substance for any length of time.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 199.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 479.

SUMMARY—Revises provisions relating to real property. (BDR 32-747)

AN ACT relating to real property; requiring [the waiver of interest and penalties imposed for the late payment of property taxes under certain

circumstances; requiring certain licensed professionals to provide notice to unrepresented purchasers of real property of the amount of certain taxes for which the purchaser is responsible;] a county assessor to periodically provide a report to the county treasurer identifying changes in ownership of residential real property within the county; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a county treasurer or county assessor to waive all or part of the interest or penalty due from a person who fails to make a timely payment of a property tax as a result of circumstances beyond his or her control and who files a statement setting forth the facts of his or her claim. (NRS 361.4835) Section 1 of this bill requires a county treasurer or county assessor to waive all of the interest or penalty, or both, for a person's failure to make a timely payment of a property tax if: (1) the tax is assessed on real property that was purchased by the person within 30 days before the tax became due; (2) the person declares under penalty of perjury that he or she did not receive the notice concerning the tax required by section 2, 3 or 4 of this bill; and (3) the person has not received such a waiver in the immediately preceding 3 years.

Section 2 of this bill requires each licensed real estate broker, real estate broker-salesperson or real estate salesperson who represents a purchaser in a real estate transaction to provide written notice to the purchaser, not later than the close of escrow, of the amount of any taxes on the property that must be paid by the purchaser. A licensee who fails to provide such notice is subject to disciplinary action and liable in a civil action to the purchaser for the amount of all penalties and interest imposed on the purchaser and for reasonable attorney's fees and the costs of bringing the action.

Sections 3 and 4 of this bill similarly require a person licensed as an escrowagent, escrowagency, title agent or escrow officer who administers an escrowin connection with a real property transaction in which the purchaser is not represented by a real estate broker, real estate broker salesperson or real estate salesperson to provide written notice to the purchaser, not later than the close of escrow, of the amount of any taxes on the property that must be paid by the purchaser. A licensee who fails to provide such notice is subject to disciplinary action and liable in a civil action to the purchaser for the amount of all penalties and interest imposed on the purchaser for failure to make a timely payment of such taxes and for reasonable attorney's fees and the costs of bringing the action.] This bill requires a county assessor to provide a report to the county treasurer at least once every 30 business days that identifies each change in ownership of residential real property that has taken place within the county since the previous report.

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

Section 1. [NRS 361.4835 is hereby amended to read as follows:

361.4835 1. [If] Except as otherwise provided in subsection 2, if the

county treasurer or the county assessor finds that a person's failure to make a timely return or payment of tax that is assessed by the county treasurer or county assessor and that is imposed pursuant to chapter 361 of NRS, except NRS 361.320, is the result of circumstances beyond the person's control and occurred despite the exercise of ordinary care and without intent, the county treasurer or the county assessor may relieve the person of all or part of any interest or penalty, or both.

- 2. The county treasurer or the county assessor shall relieve a person of all interest or penalty, or both, imposed pursuant to NRS 361.483 for the person's failure to make a timely return or payment of tax if:
- (a) The tax is assessed on real property that was purchased by the person within 30 days before the tax became due;
- (b) The person declares under penalty of perjury that he or she did not receive the notice concerning the tax required by section 2, 3 or 4 or of this act; and
- -(c) The person has not been relieved of the penalty and interest pursuant to this subsection within the immediately preceding 3 years.
- 3. A person seeking [this] relief pursuant to this section must pay the amount of the tax due and, within 30 days after the date the payment is made, file a statement setting forth the facts upon which the person bases his or her claim with the county treasurer or the county assessor.
- = [3.] 4. The county treasurer or the county assessor shall disclose, upon the request of any person:
- (a) The name of the person; and
- —(b) The amount of the relief
- [4.] 5. If the relief sought by the taxpayer is denied, the taxpayer may appeal from the denial to the Nevada Tax Commission.
- [5.] 6. The county treasurer or the county assessor may defer the decision to the Department.] (Deleted by amendment.)
- *Sec. 1.5.* Chapter 361 of NRS is hereby amended by adding thereto a new section to read as follows:
- A county assessor shall, not less than once every 30 business days, provide a report to the county treasurer that identifies each change in ownership of residential real property that has taken place within the county since the previous report.
- Sec. 2. [Chapter 645 of NRS is hereby amended by adding thereto a new section to read as follows:
- or real estate salesperson who represents a purchaser in a real estate transaction shall provide written notice to the purchaser, not later than by the close of escrow, of the amount of any taxes on the property that must be paid by the purchaser.
- 2. A person licensed as a real estate broker, real estate broker salesperson or real estate salesperson who violates the provisions of subsection 1 is:

  (a) Subject to disciplinary action pursuant to NRS 645.630; and

- —(b) Liable in a civil action to the purchaser for the amount of all penalties and interest imposed on the purchaser pursuant to NRS 361.483 for failure to make a timely return or payment of the tax and for reasonable attorney's fees and the costs of bringing the action.] (Deleted by amendment.)
- Sec. 3. [Chapter 645A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A person licensed as an escrow agent or escrow agency who administers an escrow in connection with a real property transaction in which the purchaser is not represented by a real estate broker, real estate broker salesperson or real estate salesperson, shall provide written notice to the purchaser, not later than by the close of escrow, of the amount of any taxes on the property that must be paid by the purchaser.
- 2. A person licensed as an escrow agent or escrow agency who violates the provisions of subsection 1 is:
- <del>(a) Subject to disciplinary action pursuant to NRS 645A.090; and </del>
- —(b) Liable in a civil action to the purchaser for the amount of all penalties and interest imposed on the purchaser pursuant to NRS 361.483 for failure to make a timely return or payment of the tax and for reasonable attorney's fees and the costs of bringing the action.] (Deleted by amendment.)
- Sec. 4. [Chapter 692A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A person licensed as a title agent or an escrow officer who administers an escrow in connection with a real property transaction in which the purchaser is not represented by a real estate broker, real estate broker-salesperson or real estate salesperson, shall provide written notice to the purchaser, by not later than the close of escrow, of the amount of any taxes on the property that must be paid by the purchaser.
- 2. A person licensed as a title agent or escrow officer who violates the provisions of subsection 1 is:
- <del>(a)Subject to disciplinary action pursuant to NRS 692A.105; and</del>
- (b) Liable in a civil action to the purchaser for the amount of all penalties and interest imposed on the purchaser pursuant to NRS 361.483 for failure to make a timely return or payment of the tax and for reasonable attorney's fees and the costs of bringing the action.] (Deleted by amendment.)
  - Sec. 5. This act becomes effective on July 1, 2019.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 479 makes two changes to Senate Bill No. 199. It amends the bill to delete all sections in their entirety, and amends the bill to require a county assessor to transmit a report every 30 business days, which identifies each change in ownership of residential real property to a county treasurer.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 200.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 511.

SUMMARY—Requires health insurers to provide coverage for certain services and equipment. (BDR 57-43)

AN ACT relating to health care; requiring certain health insurance policies, health care plans and benefit plans and contracts to include coverage for certain services, devices <u>accessories</u> and supplies relating to hearing <u>laids and cochlear implants</u>] <u>devices</u> for certain persons; <u>frequiring the State Plan for Medicaid and the Children's Health Insurance Program to include coverage for children for certain services, devices and supplies relating to hearing aids and <u>cochlear implants</u>; and providing other matters properly relating thereto. Legislative Counsel's Digest:</u>

Sections [2, 4, 5, 10 13 and 15 17] 2.5, 4.5, 5.5, 10.5, 11.5, 12.5 and 15.5 of this bill require coverage for certain services, devices <u>accessories</u> and supplies relating to hearing [aids] devices to be included for persons who are covered in: (1) policies of health insurance, policies of group health insurance and contracts for hospital or medical services which are offered or issued by insurers; (2) health benefit plans which are offered or issued by carriers; (3) benefit contracts which are offered or issued by fraternal benefit societies; and (4) health care plans which are offered by health maintenance organizations or managed care organizations <u>1; and (5) policies of group health insurance which are purchased for certain public officers and employees. Sections 2, 4, 5, 10 13 and 15 17 also require coverage for certain services, devices and supplies relating to cochlear implants for children who are covered in such policies, plans and contracts.</u>

—Existing law requires this State to develop a State Plan for Medicaid which includes, without limitation, a list of the medical services provided to Medicaid recipients. (42 U.S.C. § 1396a; NRS 422.063) Section 18 of this bill requires the Director of the Department of Health and Human Services to include in the State Plan for Medicaid and in the Children's Health Insurance Program a requirement that the State pay the nonfederal share of expenditures for certain services, devices and supplies relating to hearing aids and cochlear implants which are incurred on behalf of a child who is covered in the Plan or Program, as applicable.]

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

Section 1. NRS 686B.080 is hereby amended to read as follows:

686B.080 1. Except as otherwise provided in subsections 2 to 5, inclusive, each filing and any supporting information filed under NRS 686B.010 to 686B.1799, inclusive, must, as soon as filed, be open to public inspection at any reasonable time. Copies may be obtained by any person on request and upon payment of a reasonable charge therefor.

- 2. All rates for health benefit plans available for purchase by individuals and small employers are considered proprietary and constitute trade secrets, and are not subject to disclosure by the Commissioner to persons outside the Division except as agreed to by the carrier or as ordered by a court of competent jurisdiction.
- 3. The provisions of subsection 2 expire annually on the date 30 days before open enrollment.
- 4. Except in cases of violations of NRS 689A.010 to 689A.740, inclusive, or 689C.015 to 689C.355, inclusive, and section \$\frac{\{53\}}{2.5}\$ of this act, the unified rate review template and rate filing documentation used by carriers servicing the individual and small employer markets are considered proprietary and constitute a trade secret, and are not subject to disclosure by the Commissioner to persons outside the Division except as agreed to by the carrier or as ordered by a court of competent jurisdiction.
- 5. An insurer providing blanket health insurance in accordance with the provisions of chapter 689B of NRS shall make all information concerning rates available to the Commissioner upon request. Such information is considered proprietary and constitutes a trade secret and is not subject to disclosure by the Commissioner to persons outside the Division except as agreed by the insurer or as ordered by a court of competent jurisdiction.
  - 6. For the purposes of this section:
- (a) "Open enrollment" has the meaning ascribed to it in 45 C.F.R.  $\S 147.104(b)(1)(ii)$ .
- (b) "Rate filing documentation" and "unified rate review template" have the meanings ascribed to them in 45 C.F.R. § 154.215.
- Sec. 2. [Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, an insurer that offers or issues a policy of health insurance shall include in the policy coverage for:
- <del>(a) Hearing screening tests;</del>
- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the policyholder or subscriber by his or her provider of health care:
- (e) Except as otherwise provided in paragraph (a) of subsection 3, maintenance and repair of a hearing aid device described in paragraph (b):
- (d) Replacement of a hearing aid device described in paragraph (b) that is lost or broken if not less than 12 months have clapsed since the date on which the device was issued to the policyholder or subscriber:
- (e) If the policy provides coverage for a child, bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment; and
- (f) If the policy provides coverage for a child, services related to cochlear and auditory brainstem implants described in paragraph (e), including, without limitation:

- (2) Audiological evaluation;
- (3) Physical examination:
  - <del>(4) Psychological evaluation;</del>
- (5) Surgical implantation of the cochlear and auditory brainstem implanderices; and
  - (6) Postoperative follow-up evaluation and rehabilitation.
- 2. Coverage required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 is limited to services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:
- (a) Physicians who are licensed to practice medicine pursuant to chapter 630 or 633 of NRS;
- -(b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- (c) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- 3. Coverage required pursuant to subsection 1 is not required to include
- (a) Routine maintenance of a hearing aid device; or
- (b) Batteries in excess of four per hearing aid per month, except when medically necessary.
- 4. The provisions of this section do not prohibit, preempt or discourage any policy that provides coverage for the services, devices and supplies described in this section that is more generous than the requirements of this section.
- 5. A policy subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void.
- 6. As used in this section, "child" means a person 18 years of age or younger.] (Deleted by amendment.)
- *Sec.* 2.5. Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A policy of health insurance must include coverage for a hearing device and any related device, supplies, accessory and service which are medically necessary, including, without limitation, ear molds, batteries, retention accessories and personal frequency modulated services that are prescribed for an insured who is less than 18 years of age.
- 2. A policy of health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void.
  - Sec. 3. NRS 689A.330 is hereby amended to read as follows:
- 689A.330 If any policy is issued by a domestic insurer for delivery to a person residing in another state, and if the insurance commissioner or corresponding public officer of that other state has informed the Commissioner

that the policy is not subject to approval or disapproval by that officer, the Commissioner may by ruling require that the policy meet the standards set forth in NRS 689A.030 to 689A.320, inclusive [.], and section [2] 2.5 of this act.

- Sec. 4. [Chapter 689B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, an insurer that offers or issues a policy of group health insurance shall include in the policy coverage for:
- (a) Hearing screening tests:
- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the insured by his or her provider of health care:
- (c) Except as otherwise provided in paragraph (a) of subsection 3, maintenance and repair of a hearing aid device described in paragraph (b);
- (d) Replacement of a hearing aid device described in paragraph (b) that is lost or broken if not less than 12 months have elapsed since the date on which the device was issued to the insured;
- (e) If the policy provides coverage for a child, bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment; and
- (f) If the policy provides coverage for a child, services related to cochlear and auditory brainstem implants described in paragraph (c), including, without limitation:
- (1) Otologic examination:
  - (2) Audiological evaluation:
- (3) Physical examination:
  - <del>(4) Psychological evaluation;</del>
- (5) Surgical implantation of the cochlear and auditory brainstem implan devices: and
  - (6) Postonerative follow up evaluation and rehabilitation
- 2. Coverage required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 is limited to services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:
- (a) Physicians who are licensed to practice medicine pursuant to chapter 630 or 633 of NRS;
- (b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- —(c) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- -3. Coverage required pursuant to subsection 1 is not required to include
- (a) Routine maintenance of a hearing aid device: o
- -(b) Batteries in excess of four per hearing aid per month, except when medically necessary.

- 4. The provisions of this section do not prohibit, preempt or discourage any policy that provides coverage for the services, devices and supplies described in this section that is more generous than the requirements of this section.
- -5. A policy subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void.
- 6. As used in this section, "child" means a person 18 years of age or younger.] (Deleted by amendment.)
- *Sec. 4.5.* Chapter 689B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A policy of group health insurance must include coverage for a hearing device and any related device, supplies, accessory and service which are medically necessary, including, without limitation, ear molds, batteries, retention accessories and personal frequency modulated services that are prescribed for an insured who is less than 18 years of age.
- 2. A policy of group health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void.
- Sec. 5. [Chapter 689C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, a carrier that offers or issues a health benefit plan shall include in the plan coverage for:
- <del>(a) Hearing screening tests:</del>
- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the insured by his or her provider of health care:
- -(c) Except as otherwise provided in paragraph (a) of subsection 3,
- (d) Replacement of a hearing aid device described in paragraph (b) that is lost or broken if not less than 12 months have elapsed since the date on which the device was issued to the insured;
- (e) If the plan provides coverage for a child, bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment; and
- (f) If the plan provides coverage for a child, services related to cochlean and auditory brainstem implants described in paragraph (e), including, without limitation:
  - (1) Otologic examination:
- (2) Audiological evaluation:
- (3) Dhysical examination.
- <del>(4) Psychological evaluation;</del>

- <u>(5) Surgical implantation of the cochlear and auditory brainstem implant devices; and </u>
- (6) Postoperative follow-up evaluation and rehabilitation.
- 2. Coverage required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 is limited to services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:
- (a) Physicians who are licensed to practice medicine pursuant to chapter 630 or 633 of NRS;
- (b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- (e) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- 3. Coverage required pursuant to subsection 1 is not required to include:
- (a) Routine maintenance of a hearing aid device; or
- (b) Batteries in excess of four per hearing aid per month, except when medically necessary.
- 4. The provisions of this section do not prohibit, preempt or discourage any plan that provides coverage for the services, devices and supplies described in this section that is more generous than the requirements of this section.
- 5. A plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the plan or the renewal which is in conflict with this section is void.
- 6. As used in this section, "child" means a person 18 years of age or younger.] (Deleted by amendment.)
- *Sec.* 5.5. Chapter 689C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A health benefit plan must include coverage for a hearing device and any related device, supplies, accessory and service which are medically necessary, including, without limitation, ear molds, batteries, retention accessories and personal frequency modulated services that are prescribed for an insured who is less than 18 years of age.
- 2. A health benefit plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the health benefit plan or the renewal which is in conflict with this section is void.
  - Sec. 6. NRS 689C.155 is hereby amended to read as follows:
- 689C.155 The Commissioner may adopt regulations to carry out the provisions of NRS 689C.109 to 689C.143, inclusive, 689C.156 to 689C.159, inclusive, 689C.165, 689C.183, 689C.187, 689C.191 to 689C.198, inclusive, 689C.203, 689C.207, 689C.265, 689C.325, 689C.355 and 689C.610 to 689C.940, inclusive, and section [53] 5.5 of this act and to ensure that rating

practices used by carriers serving small employers are consistent with those sections, including regulations that:

- 1. Ensure that differences in rates charged for health benefit plans by such carriers are reasonable and reflect only differences in the designs of the plans, the terms of the coverage, the amount contributed by the employers to the cost of coverage and differences based on the rating factors established by the carrier.
- 2. Prescribe the manner in which rating factors may be used by such carriers.
  - Sec. 7. NRS 689C.156 is hereby amended to read as follows:
- 689C.156 1. As a condition of transacting business in this State with small employers, a carrier shall actively market to a small employer each health benefit plan which is actively marketed in this State by the carrier to any small employer in this State. A carrier shall be deemed to be actively marketing a health benefit plan when it makes available any of its plans to a small employer that is not currently receiving coverage under a health benefit plan issued by that carrier.
- 2. A carrier shall issue to a small employer any health benefit plan marketed in accordance with this section if the eligible small employer applies for the plan and agrees to make the required premium payments and satisfy the other reasonable provisions of the health benefit plan that are not inconsistent with NRS 689C.015 to 689C.355, inclusive, *and section* [5] 5.5 of this act and 689C.610 to 689C.940, inclusive, except that a carrier is not required to issue a health benefit plan to a self-employed person who is covered by, or is eligible for coverage under, a health benefit plan offered by another employer.
- 3. If a health benefit plan marketed pursuant to this section provides, delivers, arranges for, pays for or reimburses any cost of health care services through managed care, the carrier shall provide a system for resolving any complaints of an employee concerning those health care services that complies with the provisions of NRS 695G.200 to 695G.310, inclusive.
  - Sec. 8. NRS 689C.193 is hereby amended to read as follows:
- 689C.193 1. A carrier shall not place any restriction on a small employer or an eligible employee or a dependent of the eligible employee as a condition of being a participant in or a beneficiary of a health benefit plan that is inconsistent with NRS 689C.015 to 689C.355, inclusive [.], and section [5] 5.5 of this act.
- 2. A carrier that offers health insurance coverage to small employers pursuant to this chapter shall not establish rules of eligibility, including, but not limited to, rules which define applicable waiting periods, for the initial or continued enrollment under a health benefit plan offered by the carrier that are based on the following factors relating to the eligible employee or a dependent of the eligible employee:
  - (a) Health status.
  - (b) Medical condition, including physical and mental illnesses, or both.
  - (c) Claims experience.

- (d) Receipt of health care.
- (e) Medical history.
- (f) Genetic information.
- (g) Evidence of insurability, including conditions which arise out of acts of domestic violence.
  - (h) Disability.
- 3. Except as otherwise provided in NRS 689C.190, the provisions of subsection 1 do not require a carrier to provide particular benefits other than those that would otherwise be provided under the terms of the health benefit plan or coverage.
- 4. As a condition of enrollment or continued enrollment under a health benefit plan, a carrier shall not require any person to pay a premium or contribution that is greater than the premium or contribution for a similarly situated person covered by similar coverage on the basis of any factor described in subsection 2 in relation to the person or a dependent of the person.
  - 5. Nothing in this section:
- (a) Restricts the amount that a small employer may be charged for coverage by a carrier;
- (b) Prevents a carrier from establishing premium discounts or rebates or from modifying otherwise applicable copayments or deductibles in return for adherence by the insured person to programs of health promotion and disease prevention; or
- (c) Precludes a carrier from establishing rules relating to employer contribution or group participation when offering health insurance coverage to small employers in this State.
  - 6. As used in this section:
- (a) "Contribution" means the minimum employer contribution toward the premium for enrollment of participants and beneficiaries in a health benefit plan.
- (b) "Group participation" means the minimum number of participants or beneficiaries that must be enrolled in a health benefit plan in relation to a specified percentage or number of eligible persons or employees of the employer.
  - Sec. 9. NRS 689C.425 is hereby amended to read as follows:
- 689C.425 A voluntary purchasing group and any contract issued to such a group pursuant to NRS 689C.360 to 689C.600, inclusive, are subject to the provisions of NRS 689C.015 to 689C.355, inclusive, *and section* [5] 5.5 of this act to the extent applicable and not in conflict with the express provisions of NRS 687B.408 and 689C.360 to 689C.600, inclusive.
- Sec. 10. [Chapter 695A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, a society that offers or issues a benefit contract shall include in the contract coverage for:
- (a) Hearing screening tests;

- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the insured by his or her provider of health care:
- (c) Except as otherwise provided in paragraph (a) of subsection 3,
- —(d) Replacement of a hearing aid device described in paragraph (b) that is lost or broken if not less than 12 months have elapsed since the date on which the device was issued to the insured;
- (e) If the contract provides coverage for a child, bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment; and
- (f) If the contract provides coverage for a child, services related to cochlear and auditory brainstem implants described in paragraph (e), including, without limitation:
- (1) Otologic examination;
- (2) Audiological evaluation;
- (3) Physical examination;
- (4) Psychological evaluation:
- (5) Surgical implantation of the cochlear and auditory brainstem implant devices: and
- (6) Postoperative follow-up evaluation and rehabilitation.
- 2. Coverage required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 is limited to services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:
- -(a) Physicians who are licensed to practice medicine pursuant to chanter 630 or 633 of NRS:
- -(b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- (c) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- 3. Coverage required pursuant to subsection 1 is not required to include:
- (a) Routine maintenance of a hearing aid device: or
- —(b) Batteries in excess of four per hearing aid per month, except when medically necessary.
- 4. The provisions of this section do not prohibit, preempt or discourage any contract that provides coverage for the services, devices and supplies described in this section that is more generous than the requirements of this section.
- 5. A contract subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the contract or the renewal which is in conflict with this section is void.
- 6. As used in this section, "child" means a person 18 years of age of younger.] (Deleted by amendment.)

- *Sec. 10.5.* Chapter 695A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A benefit contract must include coverage for a hearing device and any related device, supplies, accessory and service which are medically necessary, including, without limitation, ear molds, batteries, retention accessories and personal frequency modulated services that are prescribed for an insured who is less than 18 years of age.
- 2. A benefit contract subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the benefit contract or the renewal which is in conflict with this section is void.
- Sec. 11. [Chapter 695B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, an insurer that offers or issues a contract for hospital or medical services shall include in the contract coverage for:
- <del>(a) Hearing screening tests;</del>
- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the insured by his or her provider of health care:
- (c) Except as otherwise provided in paragraph (a) of subsection 3,
- (d) Replacement of a hearing aid device described in paragraph (b) that is lost or broken if not less than 12 months have elapsed since the date on which the device was issued to the insured:
- (e) If the contract provides coverage for a child, bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment; and
- (f) If the contract provides coverage for a child, services related to cochlear and auditory brainstem implants described in paragraph (e), including, without limitation:
- (1) Otologic examination;
- <del>(2) Audiological evaluation;</del>
- (3) Physical examination:
- (4) Psychological evaluation:
- (5) Surgical implantation of the cochlear and auditory brainstem implantations; and
  - <del>(6) Postoperative follow-up evaluation and rehabilitation.</del>
- 2. Coverage required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 is limited to services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:
- (a) Physicians who are licensed to practice medicine pursuant to chapter 630 or 633 of NRS;

- (b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- (c) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- 3. Coverage required pursuant to subsection 1 is not required to include.
- (a) Routine maintenance of a hearing aid device; or
- (b) Batteries in excess of four per hearing aid per month, except when medically necessary.
- 1. The provisions of this section do not prohibit, preempt or discourage any contract that provides coverage for the services, devices and supplies described in this section that is more generous than the requirements of this section.
- 5. A contract subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the contract or the renewal which is in conflict with this section is void.
- 6. As used in this section, "child" means a person 18 years of age or younger.] (Deleted by amendment.)
- Sec. 11.5. Chapter 695B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A contract for hospital or medical services must include coverage for a hearing device and any related device, supplies, accessory and service which are medically necessary, including, without limitation, ear molds, batteries, retention accessories and personal frequency modulated services that are prescribed for an insured who is less than 18 years of age.
- 2. A contract for hospital or medical services subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the contract for hospital or medical services or the renewal which is in conflict with this section is void.
- Sec. 12. [Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, a health maintenance organization that offers or issues a health care plan shall include in the plan coverage for:
- (a) Hearing screening tests;
- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the insured by his or her provider of health care:
- (c) Except as otherwise provided in paragraph (a) of subsection 3,
- (d) Replacement of a hearing aid device described in paragraph (b) that it lost or broken if not less than 12 months have elapsed since the date on which the device was issued to the insured;

- (e) If the plan provides coverage for a child, bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment; and
- (f) If the plan provides coverage for a child, services related to cochlear and auditory brainstem implants described in paragraph (e), including, without limitation:
- (1) Otologic examination:
- (2) Audiological evaluation;
- (3) Physical examination;
- (4) Psychological evaluation:
- (5) Surgical implantation of the cochlear and auditory brainstem implantations: and
- (6) Postoperative follow-up evaluation and rehabilitation.
- 2. Coverage required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 is limited to services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:
- (a) Physicians who are licensed to practice medicine pursuant to chapter 630 or 633 of NRS:
- (b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- (c) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- 3. Coverage required pursuant to subsection 1 is not required to include:
- <del>(a) Routine maintenance of a hearing aid device; or </del>
- (b) Batteries in excess of four per hearing aid per month, except when medically necessary.
- 4. The provisions of this section do not prohibit, preempt or discourage any plan that provides coverage for the services, devices and supplies described in this section that is more generous than the requirements of this section.
- 5. A plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the plan or the renewal which is in conflict with this section is void.
- -6. As used in this section, "child" means a person 18 years of age or younger.] (Deleted by amendment.)
- *Sec. 12.5.* Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A health care plan must include coverage for a hearing device and any related device, supplies, accessory and service which are medically necessary, including, without limitation, ear molds, batteries, retention accessories and personal frequency modulated services that are prescribed for an enrollee who is less than 18 years of age.
- 2. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the

legal effect of including the coverage required by this section, and any provision of the health care plan or the renewal which is in conflict with this section is void.

- Sec. 13. NRS 695C.050 is hereby amended to read as follows:
- 695C.050 1. Except as otherwise provided in this chapter or in specific provisions of this title, the provisions of this title are not applicable to any health maintenance organization granted a certificate of authority under this chapter. This provision does not apply to an insurer licensed and regulated pursuant to this title except with respect to its activities as a health maintenance organization authorized and regulated pursuant to this chapter.
- 2. Solicitation of enrollees by a health maintenance organization granted a certificate of authority, or its representatives, must not be construed to violate any provision of law relating to solicitation or advertising by practitioners of a healing art.
- 3. Any health maintenance organization authorized under this chapter shall not be deemed to be practicing medicine and is exempt from the provisions of chapter 630 of NRS.
- 4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734, 695C.1751, 695C.1755, 695C.176 to 695C.200, inclusive, and 695C.265 *and section 12.5 of this act* do not apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt a health maintenance organization from any provision of this chapter for services provided pursuant to any other contract.
- 5. The provisions of NRS 695C.1694 to 695C.1698, inclusive, 695C.1708, 695C.1731, 695C.17345, 695C.1735, 695C.1745 and 695C.1757 *fand section 12 of this act]* apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid.
  - Sec. 14. NRS 695C.330 is hereby amended to read as follows:
- 695C.330 1. The Commissioner may suspend or revoke any certificate of authority issued to a health maintenance organization pursuant to the provisions of this chapter if the Commissioner finds that any of the following conditions exist:
- (a) The health maintenance organization is operating significantly in contravention of its basic organizational document, its health care plan or in a manner contrary to that described in and reasonably inferred from any other information submitted pursuant to NRS 695C.060, 695C.070 and 695C.140, unless any amendments to those submissions have been filed with and approved by the Commissioner;

- (b) The health maintenance organization issues evidence of coverage or uses a schedule of charges for health care services which do not comply with the requirements of NRS 695C.1691 to 695C.200, inclusive, *and section* [12] 12.5 of this act or 695C.207;
- (c) The health care plan does not furnish comprehensive health care services as provided for in NRS 695C.060;
  - (d) The Commissioner certifies that the health maintenance organization:
    - (1) Does not meet the requirements of subsection 1 of NRS 695C.080; or
- (2) Is unable to fulfill its obligations to furnish health care services as required under its health care plan;
- (e) The health maintenance organization is no longer financially responsible and may reasonably be expected to be unable to meet its obligations to enrollees or prospective enrollees;
- (f) The health maintenance organization has failed to put into effect a mechanism affording the enrollees an opportunity to participate in matters relating to the content of programs pursuant to NRS 695C.110;
- (g) The health maintenance organization has failed to put into effect the system required by NRS 695C.260 for:
- (1) Resolving complaints in a manner reasonably to dispose of valid complaints; and
- (2) Conducting external reviews of adverse determinations that comply with the provisions of NRS 695G.241 to 695G.310, inclusive;
- (h) The health maintenance organization or any person on its behalf has advertised or merchandised its services in an untrue, misrepresentative, misleading, deceptive or unfair manner;
- (i) The continued operation of the health maintenance organization would be hazardous to its enrollees or creditors or to the general public;
- (j) The health maintenance organization fails to provide the coverage required by NRS 695C.1691; or
- (k) The health maintenance organization has otherwise failed to comply substantially with the provisions of this chapter.
- 2. A certificate of authority must be suspended or revoked only after compliance with the requirements of NRS 695C.340.
- 3. If the certificate of authority of a health maintenance organization is suspended, the health maintenance organization shall not, during the period of that suspension, enroll any additional groups or new individual contracts, unless those groups or persons were contracted for before the date of suspension.
- 4. If the certificate of authority of a health maintenance organization is revoked, the organization shall proceed, immediately following the effective date of the order of revocation, to wind up its affairs and shall conduct no further business except as may be essential to the orderly conclusion of the affairs of the organization. It shall engage in no further advertising or solicitation of any kind. The Commissioner may, by written order, permit such further operation of the organization as the Commissioner may find to be in

the best interest of enrollees to the end that enrollees are afforded the greatest practical opportunity to obtain continuing coverage for health care.

- Sec. 15. [Chapter 695G of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, a managed care organization that offers or issues a health care plan shall include in the plan coverage for:
- (a) Hearing screening tests;
- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the insured by his or her provider of health care:
- (c) Except as otherwise provided in paragraph (a) of subsection 3, maintenance and repair of a hearing aid device described in paragraph (b):
- (d) Replacement of a hearing aid device described in paragraph (b) that is lost or broken if not less than 12 months have elapsed since the date on which the device was issued to the insured;
- (e) If the plan provides coverage for a child, bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment; and
- (f) If the plan provides coverage for a child, services related to cochlear and auditory brainstem implants described in paragraph (e), including, without limitation:
- (1) Otologic examination;
- (2) Audiological evaluation;
- (3) Physical examination:
- (4) Psychological evaluation:
- (5) Surgical implantation of the cochlear and auditory brainstem implant
- (6) Postoperative follow up evaluation and rehabilitation.
- 2. Coverage required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 is limited to services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:
- (a) Physicians who are licensed to practice medicine pursuant to chapter 630 or 633 of NRS:
- (b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- (c) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- -3. Coverage required pursuant to subsection 1 is not required to include:
- <del>(a) Routine maintenance of a hearing aid device; or </del>
- (b) Batteries in excess of four per hearing aid per month, except when medically necessary.
- 4. The provisions of this section do not prohibit, preempt or discourage any health care plan that provides coverage for the services, devices and

supplies described in this section that is more generous than the requirements of this section.

- 5. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the plan or the renewal which is in conflict with this section is void.
- -6. As used in this section, "child" means a person 18 years of age of younger.] (Deleted by amendment.)
- Sec. 15.5. Chapter 695G of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A health care plan must include coverage for a hearing device and any related device, supplies, accessory and service which are medically necessary, including, without limitation, ear molds, batteries, retention accessories and personal frequency modulated services that are prescribed for an insured who is less than 18 years of age.
- 2. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2020, has the legal effect of including the coverage required by this section, and any provision of the health care plan or the renewal which is in conflict with this section is void.
  - Sec. 16. [NRS 287.010 is hereby amended to read as follows:
- 287.010 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may:
- (a) Adopt and carry into effect a system of group life, accident or health insurance, or any combination thereof, for the benefit of its officers and employees, and the dependents of officers and employees who elect to accept the insurance and who, where necessary, have authorized the governing body to make deductions from their compensation for the payment of premiums on the insurance.
- (b) Purchase group policies of life, accident or health insurance, or any combination thereof, for the benefit of such officers and employees, and the dependents of such officers and employees, as have authorized the purchase, from insurance companies authorized to transact the business of such insurance in the State of Nevada, and, where necessary, deduct from the compensation of officers and employees the premiums upon insurance and pay the deductions upon the premiums.
- (e) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this purpose through deductions from the compensation of officers and employees and contributions of the governing body must be maintained as an internal service fund as defined by NRS 354.543. The money must be deposited in a state or national

bank or credit union authorized to transact business in the State of Nevada. Any independent administrator of a fund created under this section is subject to the licensing requirements of chapter 683A of NRS, and must be a resident of this State. Any contract with an independent administrator must be approved by the Commissioner of Insurance as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. The provisions of NRS 687B.408, 689B.030 to 689B.050, inclusive, and 689B.287 and section 4 of this act apply to coverage provided pursuant to this paragraph, except that the provisions of NRS 689B.0378 and 689B.03785 only apply to coverage for active officers and employees of the governing body, or the dependents of such officers and employees.

- (d) Defray part or all of the cost of maintenance of a self-insurance fund or of the premiums upon insurance. The money for contributions must be budgeted for in accordance with the laws governing the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada.
- 2. If a school district offers group insurance to its officers and employees pursuant to this section, members of the board of trustees of the school district must not be excluded from participating in the group insurance. If the amount of the deductions from compensation required to pay for the group insurance exceeds the compensation to which a trustee is entitled, the difference must be paid by the trustee.
- 3. In any county in which a legal services organization exists, the governing body of the county, or of any school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada in the county, may enter into a contract with the legal services organization pursuant to which the officers and employees of the legal services organization, and the dependents of those officers and employees, are eligible for any life, accident or health insurance provided pursuant to this section to the officers and employees, and the dependents of the officers and employees, of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency.
- 4. If a contract is entered into pursuant to subsection 3, the officers and employees of the legal services organization:
- (a) Shall be deemed, solely for the purposes of this section, to be officers and employees of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency with which the legal services organization has contracted; and
- (b) Must be required by the contract to pay the premiums or contributions for all insurance which they elect to accept or of which they authorize the purchase.
- 5. A contract that is entered into pursuant to subsection 3:
- (a) Must be submitted to the Commissioner of Insurance for approval not less than 30 days before the date on which the contract is to become effective.
- (b) Does not become effective unless approved by the Commissioner.

- (c) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.
- 6. As used in this section, "legal services organization" means an organization that operates a program for legal aid and receives money pursuant to NRS 19.031.] (Deleted by amendment.)
- Sec. 17. [NRS 287.04335 is hereby amended to read as follows:
- 287.04335 If the Board provides health insurance through a plan of self-insurance, it shall comply with the provisions of NRS 687B.409, 689B.255, 695G.150, 695G.160, 695G.162, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.170 to 695G.173, inclusive, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405 [,] and section 15 of this act, in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.] (Deleted by amendment.)
- Sec. 18. [Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 3, the Director shall include in the State Plan for Medicaid and in the Children's Health Insurance Program a requirement that the State pay the nonfederal share of expenditures incurred on behalf of a child for:
- (a) Hearing screening tests;
- (b) Hearing aid devices and related supplies for the type and brand of hearing aid device that is prescribed for the child by the child's provider of health care;
- (c) Except as otherwise provided in paragraph (a) of subsection 3,
- (d) Replacement of a hearing aid device described in paragraph (b) that is lost or broken if not less than 12 months have elapsed since the date on whiel the device was issued to the child;
- —(e) Bilateral and unilateral cochlear and auditory brainstem implants when determined to be medically necessary for a child with profound hearing impairment: and
- —(f) Services related to cochlear and auditory brainstem implants described in paragraph (c), including, without limitation:
  - (1) Otologie examination:
- (2) Audiological evaluation:
- (3) Physical examination:
- (4) Psychological evaluation:
- (5) Surgical implantation of the cochlear and auditory brainstem implant
- (6) Postonerative follow un evaluation and rehabilitation
- 2. Payments required pursuant to paragraphs (a) to (d), inclusive, of subsection 1 are limited to expenditures for services, devices and supplies as described in paragraphs (a) to (d), inclusive, of subsection 1 that are provided or prescribed by:

- (a) Physicians who are licensed to practice medicine pursuant to chapter 630 or 633 of NRS:
- (b) Audiologists who are licensed pursuant to chapter 637B of NRS; and
- (c) Hearing aid specialists who are licensed pursuant to chapter 637B of NRS.
- 3. Payments required pursuant to subsection 1 shall not include expenditures for:
- (a) Routine maintenance of a hearing aid device;
- (b) Batteries in excess of four per hearing aid per month, except when medically necessary; or
- (e) Repair or replacement of a hearing aid device if the child is no longer eligible for the State Plan for Medicaid or the Children's Health Insurance Program.
- 4. As used in this section, "child" means a person 18 years of age of younger. (Deleted by amendment.)
  - Sec. 19. NRS 608.1577 is hereby amended to read as follows:
- 608.1577 1. An employer shall notify his or her employees of the employer's intent to accept a policy of group life, dental or health insurance which covers the employees.
- 2. If an employer is the policyholder of a policy of group life, dental or health insurance which covers his or her employees, the employer shall notify the insurer and employees of his or her intent to terminate, reduce or modify substantially any benefit under the policy, or to change insurers.
- 3. If an employer is the policyholder or contract holder under a policy or contract issued pursuant to chapter 689B, 695A, 695B, 695C, 695D or 695F of NRS, or NRS 689C.015 to 689C.590, inclusive, *and section* [5] 5.5 of this act and which provides benefits for his or her employees, the employer shall, if applicable, notify the employees of:
  - (a) The employer's inability to pay a premium when due; and
  - (b) The employer's intention to stop paying premiums.
  - 4. Any notice required pursuant to this section must be:
  - (a) Given at least 15 days before the:
    - (1) Acceptance of, change in or termination of benefits or insurers; or
    - (2) Next unpaid premium is due; and
- (b) Conspicuously posted at the place of employment or given in another manner which ensures that all employees will receive the information.
  - Sec. 20. This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out this act; and
  - 2. On January 1, 2020, for all other purposes.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 511 makes two changes to Senate Bill No. 200. The amendment deletes sections 2, 4, 5, 10, 11, 12, 15, 16, 17 and 18 in their entirety, and amends the bill to require health

insurers, including Medicaid and the Children's Health Insurance Program, to cover hearing devices, including medically necessary expenses such as ear molds, batteries, retention accessories and FM services for insured individuals who are younger than 18 years of age.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 215.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 478.

SUMMARY—Revises provisions relating to occupational diseases. (BDR 53-317)

AN ACT relating to occupational diseases; revising provisions governing compensation for certain employees who develop cancer as an occupational disease; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, cancer which results in temporary disability, permanent disability or death is an occupational disease and compensable as such under the provisions governing occupational diseases if the cancer develops or manifests itself out of and in the course of employment of a person who: (1) for 5 years or more, has been employed as a full-time firefighter or has been acting as a volunteer firefighter; and (2) during the course of the employment, was exposed to a known carcinogen that is reasonably associated with the disabling cancer. Existing law also sets forth: (1) a list of substances that are deemed to be known carcinogens that are reasonably associated with specific disabling cancers; and (2) conditions which, when met, create a rebuttable presumption that the cancer developed or manifested itself out of and in the course of employment. (NRS 617.453) This bill provides that such disabling cancer is an occupational disease and compensable as such under the provisions governing occupational diseases if : (1) the cancer develops or manifests itself out of and in the course of employment of a person who, for  $\frac{2}{2}$  5 years or more, has been employed as a <del>[police officer, arson investigator or]</del> full-time firefighter, investigator of fires or arson, or instructor or officer who provides training concerning fire or hazardous materials or has been acting as a volunteer firefighter 🔠 or, for any period of time, has been employed as a full-time police officer; and (2) in the course of that employment or the performance of his or her duties, has been exposed to a known carcinogen that is reasonably associated with the disabling cancer. This bill also: (1) <del>[eliminates]</del> revises the list of substances which are deemed to be known carcinogens; (2) provides that disabling cancer is conclusively presumed to be occupationally related if [the employee] a firefighter, investigator of fires or arson, or instructor or officer who provides training concerning fire or hazardous materials has served a certain number of years in the profession before contracting the disease; (3) creates a rebuttable presumption that the

disabling cancer of a volunteer firefighter or police officer is occupationally related under certain circumstances; and [(3) sets forth the various periods in which an employee may claim the presumption.] (4) provides that a person who files a claim for a disabling cancer after retirement from employment as a firefighter, investigator of fires or arson, or instructor or officer who provides training concerning fire or hazardous materials is not entitled to compensation for that disease other than medical benefits.

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

Section 1. NRS 617.453 is hereby amended to read as follows:

- 617.453 1. Notwithstanding any other provision of this chapter, cancer, resulting in either temporary or permanent disability, or death, is an occupational disease and compensable as such under the provisions of this chapter if  $\underline{:}$
- <u>(a)</u> The  $\frac{fthe}{f}$  cancer develops or manifests itself out of and in the course of the employment of a person who, for  $\frac{5}{2}$   $\frac{f2}{2}$  years or more, has been:
- (1) f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in a full-time salaried occupation f(a) Employed in this State in f(a) Employed in this State in f(a) Employed in f(a) Em
  - (I) A firefighter for the benefit or safety of the public; [or
  - (2) (b) (II) An investigator of fires or arson; or
- (III) An instructor or officer for the provision of training concerning fire or hazardous materials; or
- (2) Acting as a volunteer firefighter in this State and is entitled to the benefits of chapters 616A to 616D, inclusive, of NRS pursuant to the provisions of NRS 616A.145 <u>: and</u>
- (b) It is demonstrated that:
- (1) The person was exposed, while in the course of the employment, to a known carcinogen, or a substance reasonably anticipated to be a human carcinogen, as defined by the International Agency for Research on Cancer or the National Toxicology Program; and
- (2) The carcinogen *or substance*, *as applicable*, is reasonably associated with the disabling cancer.
- 2. Notwithstanding any other provision of this chapter, cancer, resulting in either temporary or permanent disability, or death, is an occupational disease and compensable as such under the provisions of this chapter if:
- (a) The cancer develops or manifests itself out of and in the course of the employment of a Category I peace officer or a Category II peace officer who has been employed in a full-time, continuous, uninterrupted and salaried occupation as a police officer; and
- (b) While in the performance of his or her duties, the peace officer has a documented exposure to an atmosphere that contains a concentration of a chemical that is immediately dangerous to life or health, a known carcinogen or a substance reasonably anticipated to be a human carcinogen.
- 3. With respect to a person who, for 5 years or more, has been employed in this State in a full-time salaried occupation of fire fighting for the benefit or

- safety of the public, the following substances shall be deemed, for the purposes of paragraph (b) of subsection 1, to be known carcinogens that are reasonably associated with the following disabling cancers:
- (a) Diesel exhaust, formaldehyde and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with bladder cancer.
- (b) Acrylonitrile, formaldehyde and vinyl chloride shall be deemed to be known carcinogens that are reasonably associated with brain cancer.
- (c) Asbestos, benzene, diesel exhaust and soot, digoxin, ethylene oxide, polychlorinated biphenyls, polycyclic aromatic hydrocarbon and talc shall be deemed to be known carcinogens that are reasonably associated with breast cancer.
- (d) Diesel exhaust and formaldehyde shall be deemed to be known carcinogens that are reasonably associated with colon cancer.
- (e) Diesel exhaust and soot, formaldehyde and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with esophageal cancer.
- <u>[(d)]</u> (f) Formaldehyde shall be deemed to be a known carcinogen that is reasonably associated with Hodgkin's lymphoma.
- [(e)] (g) Formaldehyde and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with kidney cancer.
- (h) Benzene, diesel exhaust and soot, formaldehyde, 1,3-butadiene and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with leukemia.
- <u>[(f)]</u> (i) Chloroform, soot and vinyl chloride shall be deemed to be known carcinogens that are reasonably associated with liver cancer.
- (j) Arsenic, asbestos, cadmium, chromium compounds, oils, polycyclic aromatic hydrocarbon, radon, silica, soot and tars shall be deemed to be known carcinogens that are reasonably associated with lung cancer.
- [(g)] (k) Acrylonitrile, benzene, formaldehyde, polycyclic aromatic hydrocarbon, soot and vinyl chloride shall be deemed to be known carcinogens that are reasonably associated with lymphatic or hematopoietic cancer.
- [(h)] (l) Diesel exhaust, soot, aldehydes and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with basal cell carcinoma, squamous cell carcinoma and malignant melanoma.
- (m) Benzene, dioxins and glyphosate shall be deemed to be known carcinogens that are reasonably associated with multiple myeloma.
- (n) Arsenic, asbestos, benzene, diesel exhaust and soot, formaldehyde and hydrogen chloride shall be deemed to be known carcinogens that are reasonably associated with nasopharygeal cancer, including laryngeal cancer and pharyngeal cancer.

- (o) Benzene, chronic hepatitis B and C viruses, formaldehyde and polychlorinated biphenyls shall be deemed to be known carcinogens that are reasonably associated with non-Hodgkin's lymphoma.
- (p) Asbestos, benzene and formaldehyde shall be deemed to be known carcinogens that are reasonably associated with ovarian cancer.
- (q) Polycyclic aromatic hydrocarbon shall be deemed to be a known carcinogen that is reasonably associated with pancreatic cancer.
- [(i)] (r) Acrylonitrile, benzene and formaldehyde shall be deemed to be known carcinogens that are reasonably associated with prostate cancer.
- (s) Diesel exhaust and soot, formaldehyde and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with rectal cancer.
- (t) Chlorophenols, chlorophenoxy herbicides and polychlorinated biphenyls shall be deemed to be known carcinogens that are reasonably associated with soft tissue sarcoma.
- (u) Diesel exhaust and soot, formaldehyde and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with stomach cancer.
- [(j)] (v) Diesel exhaust, soot and polychlorinated biphenyls shall be deemed to be known carcinogens that are reasonably associated with testicular cancer.

  [(k)] (w) Diesel exhaust, benzene and X-ray radiation shall be deemed to be known carcinogens that are reasonably associated with thyroid cancer.
- (x) Diesel exhaust and soot, formaldehyde and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with urinary tract cancer and ureteral cancer.
- (y) Benzene and polycyclic aromatic hydrocarbon shall be deemed to be known carcinogens that are reasonably associated with uterine cancer.
- [3.] 4. The provisions of subsection [2] 3 do not create an exclusive list and do not preclude any person from demonstrating, on a case-by-case basis for the purposes of paragraph (b) of subsection 1 [.] or paragraph (b) of subsection 2, that a substance is a known carcinogen or is reasonably anticipated to be a human carcinogen, including an agent classified by the International Agency for Research on Cancer in Group 1 or Group 2A, that is reasonably associated with a disabling cancer.

## <u>[4. Compensation]</u>

- 5. Except as otherwise provided in subsection 8, compensation awarded to the employee or his or her dependents for disabling cancer pursuant to this section must include:
- (a) Full reimbursement for related expenses incurred for medical treatments, surgery and hospitalization in accordance with the schedule of fees and charges established pursuant to NRS 616C.260 or, if the insurer has contracted with an organization for managed care or with providers of health care pursuant to NRS 616B.527, the amount that is allowed for the treatment or other services under that contract; and

- (b) The compensation provided in chapters 616A to 616D, inclusive, of NRS for the disability or death.
- \_\_<del>[5. ; or</del>
- (e) Employed in a full time salaried occupation as a police officer in this State.
- → before the date of disablement or death.
- —<u>2.j. 6.</u> Disabling cancer is *conclusively* presumed to have [developed or manifested itself] <u>arisen</u> out of and in the course of the employment of [any firefighter described in this section. This rebuttable presumption applies to disabling cancer diagnosed after the termination of the person's employment if the diagnosis occurs within a period, not to exceed 60 months, which begins with the last date the employee actually worked in the qualifying capacity and extends for a period calculated by multiplying 3 months by the number of full years of his or her employment. This rebuttable presumption must control the awarding of benefits pursuant to this section unless evidence to rebut the presumption is presented.
- − 6. The provisions of this section do not create a conclusive presumption.] *a person if:*
- (a) The <del>[requirements of subsection I are satisfied;]</del> person has been employed in a full-time, continuous, uninterrupted and salaried occupation as:
  - (1) A firefighter for the benefit or safety of the public;
  - (2) An investigator of fires or arson; or
- (3) An instructor or officer for the provision of training concerning fire or hazardous materials; and
  - (b) The disease is diagnosed and causes the disablement or death:
- (1) During the course of the person's employment [of the person;] described in paragraph (a);
- (2) If the person ceases employment before completing 20 years of service as a [police officer,] firefighter, [or arson] investigator [,] of fires or arson, or instructor or officer for the provision of training concerning fire or hazardous materials, during the period after separation from employment which is equal to the number of years worked; or
- (3) If the person ceases employment after completing 20 years or more of service as a <del>[police officer,]</del> firefighter, <del>[or arson]</del> investigator <del>[,]</del> of fires or arson, or instructor or officer for the provision of training concerning fire or hazardous materials, at any time during the person's life.
- → Service credit which is purchased in a retirement system must not be used to calculate the number of years of service of a person for the purposes of this section.
- 7. Disabling cancer is presumed to have developed or manifested itself out of and in the course of the employment of any volunteer firefighter, Category I peace officer or Category II peace officer described in this section. This rebuttable presumption applies to disabling cancer diagnosed after the termination of the person's employment if the diagnosis occurs within a period, not to exceed 60 months, which begins with the last date the employee actually

worked in the qualifying capacity and extends for a period calculated by multiplying 3 months by the number of full years of his or her employment. This rebuttable presumption must control the awarding of benefits pursuant to this section unless evidence to rebut the presumption is presented. The provisions of this subsection do not create a conclusive presumption.

- 8. A person who files a claim for a disabling cancer pursuant to this section after he or she retires from employment as a firefighter, investigator of fires or arson, or instructor or officer for the provision of training concerning fire or hazardous materials is not entitled to receive any compensation for that disease other than medical benefits.
- 9. As used in this section:
- <u>(a) "Category I peace officer" has the meaning ascribed to it in NRS 289.460.</u>
- (b) "Category II peace officer" has the meaning ascribed to it in NRS 289.470.
- (c) "Concentration of a chemical that is immediately dangerous to life or health" means the value for toxicity resulting from exposure to that chemical as set forth in the most recent edition of the NIOSH Pocket Guide to Chemical Hazards, published by the National Institute for Occupational Safety and Health of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services.
- Sec. 2. <u>[This]</u> The amendatory provisions of this act <u>[becomes effective]</u> apply only to claims filed on or after July 1, 2019.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 478 makes the following changes to Senate Bill No. 215. The amendment revises the list of substances that are deemed to be known carcinogens; revises the occupations, which cancer is conclusively presumed to be occupationally related; increases from two to five years the period of employment for a person with a disabling cancer to qualify as an occupational disease and compensable as such; creates a rebuttable presumption that the disabling cancer of a volunteer firefighter or police officer is occupationally related under certain circumstances; provides that a person who files a claim for a disabling cancer after retirement from employment as a firefighter, an investigator of fires or arson or an instructor or officer who provides training concerning fire or hazardous material is not entitled to compensation for that disease other than medical benefits, and provides that the amendatory provisions of this act apply only to claims filed on or after July 1, 2019.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 220.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 549.

SUMMARY—Revises provisions relating to Internet privacy. (BDR 52-920)

AN ACT relating to Internet privacy; prohibiting an operator of an Internet website or online service which collects certain information from consumers in this State from [selling] making any sale of certain information about a consumer if so directed by the consumer; [providing a private right of action for a person injured by a violation of certain provisions relating to Internet privacy;] and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires an operator of an Internet website or online service which collects certain items of personally identifiable information about consumers in this State to make available a notice containing certain information relating to the privacy of covered information collected by the operator. (NRS 603A.340) [Section 3 of this bill provides a private right of action to a person injured as a result of a violation of this requirement.] Section 6 of this bill revises the definition of the term "operator" to exclude certain financial institutions and entities that are subject to certain federal laws concerning privacy and certain persons who manufacture, service or repair motor vehicles.

Section 2 of this bill [: (1) authorizes a consumer to submit a notice to an operator directing it not to sell the covered information collected about the consumer; and (2)] requires an operator to establish a designated request address through which a consumer may submit a verified request directing the operator not to make any sale of covered information collected about the consumer. Section 1.6 of this bill defines the term "sale" to mean the exchange of covered information for monetary consideration by the operator to a person for the person to license or sell the covered information to additional persons. Section 2 prohibits an operator who has received such a [notice] request from [selling] making any sale of any covered information collected about the consumer. Section 7 of this bill authorizes the Attorney General to seek an injunction or a civil penalty against an operator who violates section 2. [Section 3 provides a private right of action for any person injured by a violation of section 2.]

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

- Section 1. Chapter 603A of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 to  $2 \frac{1}{1}$ , inclusive, of this act.
- Sec. 1.3. "Designated request address" means an electronic mail address, toll-free telephone number or Internet website established by an operator through which a consumer may submit to an operator a verified request.
- Sec. 1.6. <u>1. "Sale" means the exchange of covered information for monetary consideration by the operator to a person for the person to license or sell the covered information to additional persons.</u>
- 2. The term does not include:
- (a) The disclosure of covered information by an operator to a person who processes the covered information on behalf of the operator;

- (b) The disclosure of covered information by an operator to a person with whom the consumer has a direct relationship for the purposes of providing a product or service requested by the consumer;
- (c) The disclosure of covered information by an operator to a person for purposes which are consistent with the reasonable expectations of a consumer considering the context in which the consumer provided the covered information to the operator;
- (d) The disclosure of covered information to a person who is an affiliate, as defined in NRS 686A.620, of the operator; or
- (e) The disclosure or transfer of covered information to a person as an asset that is part of a merger, acquisition, bankruptcy or other transaction in which the person assumes control of all or part of the assets of the operator.
  - Sec. 1.8. "Verified request" means a request:
- 1. Submitted by a consumer to an operator for the purposes set forth in section 2 of this act; and
- 2. For which an operator can reasonably verify the authenticity of the request and the identity of the consumer using commercially reasonable means.
- Sec. 2. 1. <u>Each operator shall establish a designated request address</u> through which a consumer may submit a verified request pursuant to this section.
- 2. A consumer may, at any time, submit a *[notice]* verified request through a designated request address to an operator directing the operator not to *[sell]* make any sale of any covered information the operator has collected or will collect about the consumer.
- [2.] 3. An operator that has received a [notice] verified request submitted by a consumer pursuant to subsection [11] 2 shall not [sell] make any sale of any covered information the operator has collected or will collect about that consumer.
- 4. An operator shall respond to a verified request submitted by a consumer pursuant to subsection 2 within 60 days after receipt thereof. An operator may extend by not more than 30 days the period prescribed by this subsection if the operator determines that such an extension is reasonably necessary. An operator who extends the period prescribed by this subsection shall notify the consumer of such an extension.
- Sec. 3. [1. Any person injured by a violation of NRS 603A.300 to 603A.360, inclusive, and sections 2 and 3 of this act may bring an action for recovery of damages or for declaratory or equitable relief.
- 2. In addition to the relief authorized by this section, the court may aware reasonable attorney's fees and costs to a plaintiff that prevails under this section.] (Deleted by amendment.)
  - Sec. 4. NRS 603A.100 is hereby amended to read as follows:
- 603A.100 1. The provisions of NRS 603A.010 to 603A.290, inclusive, do not apply to the maintenance or transmittal of information in accordance

with NRS 439.581 to 439.595, inclusive, and the regulations adopted pursuant thereto.

- 2. A data collector who is also an operator, as defined in NRS 603A.330, shall comply with the provisions of NRS 603A.300 to 603A.360, inclusive [.], and sections 1.3 to 2 [and 3], inclusive, of this act.
- 3. Any waiver of the provisions of NRS 603A.010 to 603A.290, inclusive, is contrary to public policy, void and unenforceable.
  - Sec. 5. NRS 603A.300 is hereby amended to read as follows:
- 603A.300 As used in NRS 603A.300 to 603A.360, inclusive, and sections 1.3 to 2 [and 3], inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 603A.310, 603A.320 and 603A.330 and sections 1.3, 1.6 and 1.8 of this act have the meanings ascribed to them in those sections.
  - Sec. 6. NRS 603A.330 is hereby amended to read as follows:
  - 603A.330 1. "Operator" means a person who:
- (a) Owns or operates an Internet website or online service for commercial purposes;
- (b) Collects and maintains covered information from consumers who reside in this State and use or visit the Internet website or online service; and
- (c) Purposefully directs its activities toward this State, consummates some transaction with this State or a resident thereof, <code>[or]</code> purposefully avails itself of the privilege of conducting activities in this State <code>[.]</code> or otherwise engages in any activity that constitutes sufficient nexus with this State to satisfy the requirements of the United States Constitution.
  - 2. The term does not include  $\frac{\{a\}}{a}$ :
- <u>(a)</u> A third party that operates, hosts or manages an Internet website or online service on behalf of its owner or processes information on behalf of the owner of an Internet website or online service  $\frac{1}{12}$ ;
- (b) A financial institution or an affiliate of a financial institution that is subject to the provisions of the Gramm-Leach-Bliley Act, 15 U.S.C. §§ 6801 et seq., and the regulations adopted pursuant thereto;
- (c) An entity that is subject to the provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, as amended, and the regulations adopted pursuant thereto; or
- (d) A manufacturer of a motor vehicle or a person who repairs or services a motor vehicle who collects, generates, records or stores covered information that is:
- (1) Retrieved from a motor vehicle in connection with a technology or service related to the motor vehicle; or
- (2) Provided by a consumer in connection with a subscription or registration for a technology or service related to the motor vehicle.
  - Sec. 7. NRS 603A.360 is hereby amended to read as follows:
- 603A.360 1. The Attorney General shall enforce the provisions of NRS 603A.300 to 603A.360, inclusive [.], and sections 1.3 to 2 [and 3], inclusive, of this act.

- 2. If the Attorney General has reason to believe that an operator, either directly or indirectly, has violated or is violating NRS 603A.340 [,] or section 2 of this act, the Attorney General may institute an appropriate legal proceeding against the operator. The district court, upon a showing that the operator, either directly or indirectly, has violated or is violating NRS 603A.340 [,] or section 2 of this act, may:
  - (a) Issue a temporary or permanent injunction; or
  - (b) Impose a civil penalty not to exceed \$5,000 for each violation.
- 3. The provisions of NRS 603A.300 to 603A.360, inclusive, and sections 1.3 to 2, inclusive, of this act do not establish a private right of action against an operator.
- <u>4.</u> The provisions of NRS 603A.300 to 603A.360, inclusive, *and sections* <u>1.3 to</u> 2 <del>[and 3]</del> , inclusive, of this act are not exclusive and are in addition to any other remedies provided by law.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 549 makes five changes to Senate Bill No. 220. It provides the definition of a "designated request address," "sale" and "verified request"; amends section 2 to clarify that a consumer may submit a verified request through a designated request address and that the operator is prohibited from selling personal-identifiable information if they received a verified request; amends section 2 to require an operator to respond to a customer's verified request within 60 days of receipt; deletes section 3 in its entirety, which provides a privacy right of action to a person injured by an operator of an Internet website or online service, and clarifies the definition of an "operator."

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 238.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 469.

SUMMARY—Revises provisions relating to marijuana. (BDR 32-133)

AN ACT relating to marijuana; [requiring a member of the Nevada Tax Commission to have certain experience relating to legalized marijuana; ereating the Responsible Use of Marijuana Public Education Committee within the Department of Taxation; establishing the powers and duties of the Committee; requiring the establishment of a statewide hotline to report suspected unlicensed sales of marijuana;] authorizing the transfer of a medical marijuana establishment registration certificate and a license to operate a marijuana establishment in certain circumstances; revising provisions relating to inventory control systems; prohibiting the use of a third party by a medical marijuana dispensary or retail marijuana store to sell marijuana and related products; establishing requirements relating to the delivery of marijuana and related products to a consumer; requiring the Attorney General to perform a

study relating to the unlicensed sale of marijuana and related products in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Nevada Tax Commission and requires a majority of the commissioners to have experience in certain fields. (NRS 360.010, 360.020) Section 1 of this bill requires one of the commissioners to have at least 5 years' experience in the field of legalized marijuana.

Existing law generally exempts a person who holds a valid medical marijuana establishment registration certificate or license to operate a marijuana establishment from state prosecution for possession, delivery and production of marijuana and provides for the licensing and regulation of such establishments. (NRS 453A.320-453A.370, 453D.120, 453D.200) Sections 4-8 of this bill create the Responsible Use of Marijuana Public Education Committee and establish its powers and duties. Specifically, section 5 of this bill creates the Committee and establishes its membership. Section 6 of this bill establishes provisions relating to the operation of the Committee. Section 7 of this bill requires the Committee to develop and carry out, in collaboration with a marketing or advertising agency, a public information campaign relating to the responsible use of marijuana. Section 8 of this bill authorizes the Department of Taxation to fund the activities of the Committee from the proceeds of the excise tax on wholesale sales of marijuana by cultivation facilities. Section 2 of this bill makes a conforming change.

—Sections 9 and 16 of this bill require the Bureau of Consumer Protection in the Office of the Attorney General to establish a statewide hotline and Internet website by which a person may file a complaint relating to a suspect sale of marijuana or related products without the appropriate certificate or license.]

Existing law requires the Department to transfer a medical marijuana establishment registration certificate to a party acquiring ownership of a medical marijuana establishment and requires the Department to provide by regulation for the transfer of a license to operate a marijuana establishment. (NRS 453A.334, 453D.200) Sections 10 and 15 of this bill provide for the transfer of a medical marijuana establishment registration certificate and a license to operate a marijuana establishment in certain additional circumstances.

Existing law requires a medical marijuana establishment to maintain an inventory control system and requires a marijuana establishment to package and label marijuana products in a manner that allows tracking by way of an inventory control system. (NRS 453A.356, 453D.310) Sections 11 and 17 of this bill allow a dual licensee to combine the inventory of its medical marijuana establishments and marijuana establishments for the purpose of maintaining its inventory control system and require a dual licensee to designate a sale to be pursuant to either existing law relating to medical marijuana or existing law relating to adult-use marijuana at the point of sale.

Existing law establishes certain requirements for the operation of a medical marijuana dispensary or a retail marijuana store. (NRS 453A.358, 453D.310)

Sections 12 and 17 of this bill prohibit a medical marijuana dispensary or retail marijuana store from selling marijuana or related products through, or accepting a sale from, any business that does not hold a medical marijuana establishment registration certificate or license to operate a marijuana establishment. Sections 12 and 17 also [prohibit] authorize a medical marijuana dispensary or retail marijuana store [from contracting] to contract with a third party [to advertise] for delivery to consumers [1] in certain circumstances. Sections 12 and 17 prohibit any person who does not hold a medical marijuana establishment registration certificate or a license to operate a marijuana establishment from: (1) advertising the sale of marijuana or related products by the person; (2) selling, offering to sell or appearing to sell marijuana or related products; or (3) allowing the submission of an order for marijuana or related products.

Existing law authorizes a medical marijuana establishment to transport medical marijuana in certain circumstances. (NRS 453A.362) Section 13 of this bill prohibits a medical marijuana dispensary from transporting marijuana and related products to a person unless: (1) the person holds a valid registry identification card or letter of approval; (2) the transportation is performed by a person who holds a valid medical marijuana establishment agent registration card and is employed by the medical marijuana dispensary or an independent contractor who contracted with the medical marijuana dispensary; and (3) the name of the medical marijuana dispensary and each independent contractor who transports marijuana and related products for the medical marijuana dispensary are published on the Internet website maintained by the Department. Section 17 prohibits a retail marijuana store from delivering marijuana and related products to a consumer using an independent contractor unless the name of the retail marijuana store and each independent contractor who transports marijuana and related products for the retail marijuana store are published on the Internet website maintained by the Department.

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

- Section 1. INRS 360.020 is hereby amended to read as follows:
- = 360.020 1. Five of the commissioners must have at least 10 years' experience, respectively, in the following fields:
- (a) Real property.
- (b) Utility business.
- (c) Agriculture and livestock business
- (d) Finance.
- <del>(c) Mining.</del>
- 2. One of the commissioners must have at least 5 years' experience in the field of legalized marijuana.
- 3. The remaining commissioners must be versed in other areas of property taxation and must be sufficiently experienced in business generally to be able to bring knowledge and sound judgment to the deliberations of the Nevada Tax Commission. (Deleted by amendment.)

- Sec. 2. NRS 372A.290 is hereby amended to read as follows:
- 372A.290 1. An excise tax is hereby imposed on each wholesale sale in this State of marijuana by a cultivation facility to another medical marijuana establishment at the rate of 15 percent of the fair market value at wholesale of the marijuana. The excise tax imposed pursuant to this subsection is the obligation of the cultivation facility.
- 2. An excise tax is hereby imposed on each retail sale in this State of marijuana or marijuana products by a retail marijuana store at the rate of 10 percent of the sales price of the marijuana or marijuana products. The excise tax imposed pursuant to this subsection:
  - (a) Is the obligation of the retail marijuana store.
- (b) Is separate from and in addition to any general state and local sales and use taxes that apply to retail sales of tangible personal property.
- 3. The revenues collected from the excise tax imposed pursuant to subsection 1 must be distributed:
- (a) To the Department and to local governments in an amount determined to be necessary by the Department to pay the costs of the Department *[, the Responsible Use of Marijuana Public Education Committee]* and local governments in carrying out the provisions of chapter 453A of NRS; and
- (b) If any money remains after the revenues are distributed pursuant to paragraph (a), to the State Treasurer to be deposited to the credit of the State Distributive School Account in the State General Fund.
- 4. For the purpose of subsection 3 and NRS 453D.510, a total amount of \$5,000,000 of the revenues collected from the excise tax imposed pursuant to subsection 1 and the excise tax imposed pursuant to NRS 453D.500 in each fiscal year shall be deemed sufficient to pay the costs of all local governments to carry out the provisions of chapters 453A and 453D of NRS. The Department shall, by regulation, determine the manner in which local governments may be reimbursed for the costs of carrying out the provisions of chapters 453A and 453D of NRS.
- 5. The revenues collected from the excise tax imposed pursuant to subsection 2 must be paid over as collected to the State Treasurer to be deposited to the credit of the Account to Stabilize the Operation of the State Government created in the State General Fund pursuant to NRS 353.288.
  - 6. As used in this section:
  - (a) "Local government" has the meaning ascribed to it in NRS 360.640.
- (b) "Marijuana products" [has the meaning ascribed to it in NRS 453D.030.] means any product sold by a retail marijuana store which contains marijuana or an extract thereof.
- (c) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.
- Sec. 3. [Chapter 453A of NRS is hereby amended by adding thereto the provisions set forth as sections 4 to 9, inclusive, of this act.] (Deleted by amendment.)

- Sec. 4. [As used in sections 4 to 9, inclusive, of this act, unless the context otherwise requires, "Committee" means the Responsible Use of Marijuana Public Education Committee created by section 5 of this act.] (Deleted by amendment.)
- Sec. 5. [1. The Responsible Use of Marijuana Public Education Committee is hereby created within the Department. The Committee consists of the following seven members:
- (a) The Executive Director of the Department or his or her designee;
- (b) The Chief Medical Officer or his or her designee; and
- -(c) The following members appointed by the Executive Director of the Department:
- (1) One resident of this State who is a physician licensed under chapter 630 or 633 of NRS:
- (2) One resident of this State who has at least 5 years' experience in the field of public health;
- (3) One resident of this State who represents medical marijuana establishments or marijuana establishments as defined in NRS 453D.030:
- (4) One resident of this State who is not an employee of the Department and who has a background in media or marketing sufficient to advise the Committee in carrying out its duties pursuant to section 7 of this act; and
- (5) One resident of this State who holds a valid registry identification
- 2. The Executive Director of the Department shall, to the extent practicable, ensure that the membership of the Committee represents all geographic areas of this State.
- -3. After the initial terms, each member of the Committee appointed
- 4. A vacancy in the membership of the Committee must be filled in the same manner as the original appointment for the remainder of the unexpired term.
- -5. A member of the Committee may be reappointed, but must not serve more than two full terms.
- 6. Each member of the Committee:
- (a) Serves without compensation; and
- (b) While engaged in the business of the Committee, is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 7. The Executive Director of the Department may remove any member of the Committee for just cause.
- 8. The Executive Director of the Department shall select from among the members of the Committee a Chair of the Committee.] (Deleted by amendment.)
- Sec. 6. [1. At the first meeting of the Committee, the Committee shall adopt any rules and policies that are necessary to assist the Committee in carrying out its duties.

- 2. The Committee shall meet at least once each calendar quarter and at other times upon the call of the Chair or a majority of its members.
- 3. A majority of the members of the Committee constitutes a quorum for the transaction of business, and a quorum may exercise any power or authority conferred on the Committee.
- 4. Meetings of the Committee must be conducted in accordance with chapter 241 of NRS.
- 5. Except as otherwise provided by a specific statute, the documents and other information compiled by the Committee in the course of its business are public records.
- 6. The Department shall provide the Committee with administrative support to comply with the provisions of chapter 241 of NRS.] (Deleted by amendment.)
- Sec. 7. [1. The Committee shall, in cooperation with the Department and to the extent that money is available:
- (a) Develop and earry out, in collaboration with a marketing or advertising agency, an effective and comprehensive media based public information program to educate, promote and engage the residents of this State concerning the responsible use of marijuana, including, without limitation:
- (1) That marijuana and all products containing marijuana should be kept away from children:
- (2) That an edible marijuana product may have a delayed effect and a person consuming such a product should consume a small dose and wait several hours to determine its effect before consuming more; and
- (3) That marijuana and products containing marijuana should only be bought from a legal source.
- (b) Not later than 120 days after the Committee's first meeting of each year, prepare an operational plan with strategic goals and milestones in furtherance of the duties of the Committee.
- -(c) Prepare a request for proposals for the purpose of selecting a marketing or advertising agency.
- -(d) Establish criteria for grading and selecting a marketing or advertising agency based on the submission of proposals.
- —(e) Conduct surveys for the purpose of developing a marketing campaign and determining the effectiveness of a campaign.
- —2. The Committee shall prepare, review and approve each annual budget for the Committee and review any periodic financial reports provided by the Department that are related to the activities of the Committee.
- 3. The Committee shall, on or before January 31 of each even-numbered year, prepare and submit a report to the Executive Director of the Department and the Nevada Tax Commission setting forth:
- (a) The operational plan prepared pursuant to paragraph (b) of subsection 1 and each public information program developed and earried out pursuant to that subsection:

- —(b) A financial accounting of the money provided to fund the activities of the Committee pursuant to section 8 of this act; and
- <u>(c) Any recommendations concerning the Committee.</u>] (Deleted by amendment.)
- Sec. 8. [1. The Department shall determine whether any money distributed to the Department pursuant to paragraph (a) of subsection 3 of NRS 372A.290 is necessary to fund the activities of the Committee. Such money, in addition to any money received pursuant to subsection 2, must be accounted for separately in the State General Fund and used to fund the activities of the Committee pursuant to this section. The Department shall administer that money.
- 2. The Department or the Committee may apply for and accept any available grants and may accept any bequests, devises, donations or gifts from any public or private source to fund the activities of the Committee.
- 3. Any money that is accounted for separately pursuant to subsection 1 is hereby authorized for expenditure as a continuing appropriation for the purpose of funding the activities of the Committee. Except as otherwise provided by law or by the terms of any grant, bequest, devise, donation or gift, any money that is accounted for separately pursuant to subsection 1 and is remaining at the end of a fiscal year does not revert and must be carried over to the next fiscal year.
- 4. The Committee shall approve expenditures of the money that is accounted for separately pursuant to subsection 1:
- (a) To support the public information program developed pursuant to section 7 of this act and to pay any costs incurred by the Department in administering the provisions of sections 4 to 8, inclusive, of this act, but such costs must not exceed 20 percent of the annual expenditures of the money that is accounted for separately pursuant to subsection 1; and
- of this act and within the scope of any activities and amounts of funding authorized pursuant to the operational plan. (Deleted by amendment.)
- Sec. 9. [The Bureau of Consumer Protection in the Office of the Attorney General shall establish a toll-free statewide hotline and an Internet website by which a person may file a complaint relating to a suspected sale of marijuana, edible marijuana products or marijuana infused products by a person who does not hold a medical marijuana establishment registration certificate or a license issued pursuant to NRS 453D.210.1 (Deleted by amendment.)
  - Sec. 10. NRS 453A.334 is hereby amended to read as follows:
- 453A.334 1. [Except as otherwise provided in subsection 2, the following are nontransferable:
- —(a)] A medical marijuana establishment agent registration card [.
- (b) A medical marijuana establishment registration certificate.] is nontransferable.
- 2. [A] Except as otherwise provided in subsection 3, a medical marijuana establishment may, upon submission of a statement signed by a person

authorized to submit such a statement by the governing documents of the medical marijuana establishment, transfer its medical marijuana establishment registration certificate or all or any portion of its ownership to another party, and the Department shall transfer the medical marijuana establishment registration certificate issued to the establishment to the party acquiring the medical marijuana establishment registration certificate or ownership, if the party who will acquire the medical marijuana establishment registration certificate or ownership of the medical marijuana establishment submits:

- (a) If the party will acquire the entirety of the ownership interest in the medical marijuana establishment, evidence satisfactory to the Department that the party has complied with the provisions of sub-subparagraph (III) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322 for the purpose of operating the medical marijuana establishment.
- (b) For the party and each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment, the name, address and date of birth of the person, a complete set of the person's fingerprints and written permission of the person authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.
- (c) Proof satisfactory to the Department that, as a result of the transfer of the medical marijuana establishment registration certificate or ownership, no person, group of persons or entity will, in a county whose population is 100,000 or more, hold more than one medical marijuana establishment registration certificate or more than 10 percent of the medical marijuana establishment registration certificates allocated to the county, whichever is greater.
- 3. A medical marijuana establishment that transfers its medical marijuana registration certificate to another party without transferring any portion of its ownership shall comply with all laws or regulations of this State relating to the sale of a license, registration or other permit to conduct business. Any transfer of a medical marijuana registration certificate in violation of this subsection is void.
  - Sec. 11. NRS 453A.356 is hereby amended to read as follows:
- 453A.356 1. Each medical marijuana establishment, in consultation with the Department, shall maintain an inventory control system.
- 2. The inventory control system required pursuant to subsection 1 must be able to monitor and report information, including, without limitation:
- (a) Insofar as is practicable, the chain of custody and current whereabouts, in real time, of medical marijuana from the point that it is harvested at a cultivation facility until it is sold at a medical marijuana dispensary and, if applicable, if it is processed at a facility for the production of edible marijuana products or marijuana-infused products;
- (b) The name of each person or other medical marijuana establishment, or both, to which the establishment sold marijuana;

- (c) In the case of a medical marijuana dispensary, the date on which it sold marijuana to a person who holds a registry identification card and, if any, the quantity of edible marijuana products or marijuana-infused products sold, measured both by weight and potency; and
  - (d) Such other information as the Department may require.
- 3. Nothing in this section prohibits more than one medical marijuana establishment from co-owning an inventory control system in cooperation with other medical marijuana establishments, or sharing the information obtained therefrom.
- 4. A medical marijuana establishment must exercise reasonable care to ensure that the personal identifying information of persons who hold registry identification cards which is contained in an inventory control system is encrypted, protected and not divulged for any purpose not specifically authorized by law.
- 5. If a medical marijuana establishment is operated by a dual licensee, the medical marijuana establishment may:
- (a) For the purpose of tracking medical marijuana, [combine the] maintain a combined inventory [of the medical marijuana establishment] with [the inventory of any other medical marijuana establishment or] a marijuana establishment operated by the dual licensee; and
- (b) For the purpose of reporting on the inventory of the medical marijuana establishment, {combine the} maintain a combined inventory {of the medical marijuana establishment} with {the inventory of any other medical marijuana establishment or} a marijuana establishment operated by the dual licensee and report {all such} the combined inventory under a single {entity; and}
- —(e)] medical marijuana establishment registration certificate or license to operate a marijuana establishment.
- 6. If a medical marijuana establishment is operated by a dual licensee, the medical marijuana establishment shall:
- (b) Verify that each person who purchases marijuana, edible marijuana products or marijuana-infused products in a sale designated as a sale pursuant to the provisions of this chapter holds a valid registry identification card.
- 7. As used in this section:
- (a) "Dual licensee" has the meaning ascribed to it in NRS 453D.030.
- (b) "Marijuana establishment" has the meaning ascribed to it in NRS 453D.030.
  - Sec. 12. NRS 453A.358 is hereby amended to read as follows:
- 453A.358 1. Each medical marijuana dispensary shall ensure all of the following:

- (a) The weight, concentration and content of THC in all marijuana, edible marijuana products and marijuana-infused products that the dispensary sells is clearly and accurately stated on the product sold.
- (b) That the dispensary does not sell to a person, in any one transaction, more than 1 ounce of marijuana.
- (c) That, posted clearly and conspicuously within the dispensary, are the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200.
- (d) That, posted clearly and conspicuously within the dispensary, is a sign stating unambiguously the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200.
- (e) That only persons who are at least 21 years of age or hold a registry identification card or letter of approval are allowed to enter the premises of the medical marijuana dispensary.
- 2. A medical marijuana dispensary may, but is not required to, track the purchases of marijuana for medical purposes by any person to ensure that the person does not exceed the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200. The Department shall not adopt a regulation or in any other way require a medical marijuana dispensary to track the purchases of a person or determine whether the person has exceeded the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200.
- 3. A medical marijuana dispensary which is a dual licensee, as defined in NRS 453D.030, may, to the extent authorized by the regulations adopted by the Department pursuant to paragraph (k) of subsection 1 of NRS 453D.200, allow any person who is at least 21 years of age to enter the premises of the medical marijuana dispensary, regardless of whether such a person holds a valid registry identification card or letter of approval.
- 4. A medical marijuana dispensary shall not sell marijuana, edible marijuana products or marijuana-infused products to a consumer through the use of, or accept a sale of marijuana, edible marijuana products or marijuana-infused products from, a third party, intermediary business, broker or any other business that does not hold a medical marijuana establishment registration certificate for a medical marijuana dispensary.
- 5. A medical marijuana dispensary [shall not] may contract with a third party or intermediary business to [advertise delivery] deliver marijuana. edible marijuana products or marijuana-infused products to consumers [.] only if:
- (a) Every sale of marijuana, edible marijuana products or marijuana-infused products which is delivered by the third party or intermediary business is made directly from the medical marijuana dispensary or an Internet website, digital network or software application service of the medical marijuana dispensary; and
- (b) The third party or intermediary business does not advertise that it sells, offers to sell or appears to sell marijuana, edible marijuana products or

marijuana-infused products or allows the submission of an order for marijuana, edible marijuana products or marijuana-infused products.

- 6. Except as otherwise provided in chapter 453D of NRS, a person shall not:
- (a) Advertise the sale of marijuana, edible marijuana products or marijuana-infused products by the person; or
- (b) Sell, offer to sell or appear to sell marijuana, edible marijuana products or marijuana-infused products or allow the submission of an order for marijuana, edible marijuana products or marijuana-infused products,
- <u>unless the person holds a medical marijuana establishment registration certificate.</u>
  - Sec. 13. NRS 453A.362 is hereby amended to read as follows:
- 453A.362 1. At each medical marijuana establishment, medical marijuana must be stored only in an enclosed, locked facility.
- 2. Except as otherwise provided in subsection 3, at each medical marijuana dispensary, medical marijuana must be stored in a secure, locked device, display case, cabinet or room within the enclosed, locked facility. The secure, locked device, display case, cabinet or room must be protected by a lock or locking mechanism that meets at least the security rating established by Underwriters Laboratories for key locks.
- 3. At a medical marijuana dispensary, medical marijuana may be removed from the secure setting described in subsection 2:
  - (a) Only for the purpose of dispensing the marijuana;
  - (b) Only immediately before the marijuana is dispensed; and
- (c) Only by a medical marijuana establishment agent who is employed by or volunteers at the dispensary.
  - 4. A medical marijuana establishment may:
- (a) Transport medical marijuana to another medical marijuana establishment or between the buildings of the medical marijuana establishment; [and]
- (b) Enter into a contract with a third party to transport medical marijuana to another medical marijuana establishment or between the buildings of the medical marijuana establishment [-]; and
- (c) If the medical marijuana establishment is a medical marijuana dispensary and except as otherwise provided in subsection 5, transport, or enter into a contract with an independent contractor to transport, medical marijuana to a person who holds a valid registry identification card or letter of approval.
- 5. A medical marijuana dispensary shall not transport marijuana, edible marijuana products or marijuana-infused products to a person unless:
- (a) The person holds a valid registry identification card or letter of approval;
- (b) The transportation is performed by a medical marijuana establishment agent who holds a valid medical marijuana establishment agent registration card and is employed by the medical marijuana dispensary or the independent

contractor with which the medical marijuana dispensary entered into a contract: and

- (c) The name of the medical marijuana dispensary and the name of each independent contractor with which the medical marijuana dispensary has entered into a contract to transport marijuana, edible marijuana products or marijuana-infused products to persons who hold a valid registry identification card or letter of approval has been published on the Internet website of the Department.
- Sec. 14. Chapter 453D of NRS is hereby amended by adding thereto the provisions set forth as sections 15 and 16 of this act.

Sec. 15. [A]

- 1. Except as otherwise provided in subsection 2, a marijuana establishment may, upon submission of a statement signed by a person authorized to submit such a statement by the governing documents of the marijuana establishment, transfer its license or all or any portion of its ownership to another party, and the Department shall transfer the license issued to the establishment to the party acquiring the license or ownership, if the party who will acquire the license or ownership of the marijuana establishment submits, for the party and each person who is proposed to be an owner, officer or board member of the proposed marijuana establishment, the name, address and date of birth of the person, a complete set of the person's fingerprints and written permission of the person authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.
- 2. A marijuana establishment that transfers its license to another party without transferring any portion of its ownership shall comply with all laws or regulations of this State relating to the sale of a license, registration or other permit to conduct business. Any transfer of a license in violation of this subsection is void.
- Sec. 16. [The Bureau of Consumer Protection in the Office of the Attorney General shall establish a toll free statewide hotline and an Internet website by which a person may file a complaint relating to a suspected sale of marijuana or marijuana products by a person who does not hold a medical marijuana establishment registration certificate issued pursuant to NRS 453A.322 or a license.] (Deleted by amendment.)
  - Sec. 17. NRS 453D.310 is hereby amended to read as follows:
- 453D.310 1. Each retail marijuana store and marijuana product manufacturing facility shall, in consultation with the Department, cooperate to ensure that all marijuana products offered for sale:
  - (a) Are labeled clearly and unambiguously:
- (1) As marijuana with the words "THIS IS A MARIJUANA PRODUCT" in bold type; and
- (2) As required by this chapter and any regulations adopted pursuant thereto.

- (b) Are not presented in packaging that contains an image of a cartoon character, mascot, action figure, balloon or toy, except that such an item may appear in the logo of the marijuana product manufacturing facility which produced the product.
- (c) Are regulated and sold on the basis of the concentration of THC in the products and not by weight.
- (d) Are packaged and labeled in such a manner as to allow tracking by way of an inventory control system.
- (e) Are not packaged and labeled in a manner which is modeled after a brand of products primarily consumed by or marketed to children.
- (f) Are labeled in a manner which indicates the number of servings of THC in the product, measured in servings of a maximum of 10 milligrams per serving, and includes a statement that the product contains marijuana and its potency was tested with an allowable variance of the amount determined by the Department by regulation.
  - (g) Are not labeled or marketed as candy.
- 2. A marijuana product must be sold in a single package. A single package must not contain:
- (a) For a marijuana product sold as a capsule, more than 100 milligrams of THC per capsule or more than 800 milligrams of THC per package.
- (b) For a marijuana product sold as a tincture, more than 800 milligrams of THC.
- (c) For a marijuana product sold as a food product, more than 100 milligrams of THC.
- (d) For a marijuana product sold as a topical product, a concentration of more than 6 percent THC or more than 800 milligrams of THC per package.
- (e) For a marijuana product sold as a suppository or transdermal patch, more than 100 milligrams of THC per suppository or transdermal patch or more than 800 milligrams of THC per package.
  - (f) For any other marijuana product, more than 800 milligrams of THC.
- 3. A marijuana product manufacturing facility shall not produce marijuana products in any form that:
  - (a) Is or appears to be a lollipop or ice cream.
- (b) Bears the likeness or contains characteristics of a real or fictional person, animal or fruit, including, without limitation, a caricature, cartoon or artistic rendering.
- (c) Is modeled after a brand of products primarily consumed by or marketed to children.
- (d) Is made by applying concentrated marijuana to a commercially available candy or snack food item other than dried fruit, nuts or granola.
  - 4. A marijuana product manufacturing facility shall:
- (a) Seal any marijuana product that consists of cookies or brownies in a bag or other container which is not transparent.

- (b) Affix a label to each marijuana product intended for human consumption by oral ingestion which includes, without limitation, in a manner which must not mislead consumers, the following information:
  - (1) The words "Keep out of reach of children";
  - (2) A list of all ingredients used in the marijuana product;
  - (3) A list of all allergens in the marijuana product; and
- (4) The total weight of marijuana contained in the marijuana product or an equivalent measure of THC concentration.
- (c) Maintain a washing area with hot water, soap and a hand dryer or disposable towels which is located away from any area in which marijuana products intended for human consumption by oral ingestion are cooked or otherwise prepared.
- (d) Require each person who handles marijuana products intended for human consumption by oral ingestion to wear a hair net and clean clothing and keep his or her fingernails neatly trimmed.
- (e) Package all marijuana products produced by the marijuana product manufacturing facility on the premises of the marijuana product manufacturing facility.
- 5. A retail marijuana store or marijuana product manufacturing facility shall not engage in advertising that in any way makes marijuana or marijuana products appeal to children, including, without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.
- 6. Each retail marijuana store shall offer for sale containers for the storage of marijuana and marijuana products which lock and are designed to prohibit children from unlocking and opening the container.
  - 7. A retail marijuana store shall:
- (a) Include a written notification with each sale of marijuana or marijuana products which advises the purchaser:
- (1) To keep marijuana and marijuana products out of the reach of children;
- (2) That marijuana and marijuana products can cause severe illness in children;
- (3) That allowing children to ingest marijuana or marijuana products, or storing marijuana or marijuana products in a location which is accessible to children may result in an investigation by an agency which provides child welfare services or criminal prosecution for child abuse or neglect;
- (4) That the intoxicating effects of marijuana products may be delayed by 2 hours or more and users of marijuana products should initially ingest a small amount of the product, then wait at least 120 minutes before ingesting any additional amount of the product;
- (5) That pregnant women should consult with a physician before ingesting marijuana or marijuana products;

- (6) That ingesting marijuana or marijuana products with alcohol or other drugs, including prescription medication, may result in unpredictable levels of impairment and that a person should consult with a physician before doing so;
- (7) That marijuana or marijuana products can impair concentration, coordination and judgment and a person should not operate a motor vehicle while under the influence of marijuana or marijuana products; and
- (8) That ingestion of any amount of marijuana or marijuana products before driving may result in criminal prosecution for driving under the influence.
- (b) Enclose all marijuana and marijuana products in opaque, child-resistant packaging upon sale.
- 8. If the health authority, as defined in NRS 446.050, where a marijuana product manufacturing facility or retail marijuana store which sells marijuana products intended for human consumption by oral ingestion is located requires persons who handle food at a food establishment to obtain certification, the marijuana product manufacturing facility or retail marijuana store shall ensure that at least one employee maintains such certification.
  - 9. A marijuana establishment:
- (a) Shall not engage in advertising which contains any statement or illustration that:
  - (1) Is false or misleading:
  - (2) Promotes overconsumption of marijuana or marijuana products;
- (3) Depicts the actual consumption of marijuana or marijuana products; or
- (4) Depicts a child or other person who is less than 21 years of age consuming marijuana or marijuana products or objects suggesting the presence of a child, including, without limitation, toys, characters or cartoons, or contains any other depiction which is designed in any manner to be appealing to or encourage consumption of marijuana or marijuana products by a person who is less than 21 years of age.
- (b) Shall not advertise in any publication or on radio, television or any other medium if 30 percent or more of the audience of that medium is reasonably expected to be persons who are less than 21 years of age.
  - (c) Shall not place an advertisement:
- (1) Within 1,000 feet of a public or private school, playground, public park or library, but may maintain such an advertisement if it was initially placed before the school, playground, public park or library was located within 1,000 feet of the location of the advertisement;
- (2) On or inside of a motor vehicle used for public transportation or any shelter for public transportation; or
- (3) At a sports or entertainment event to which persons who are less than 21 years of age are allowed entry.
- (d) Shall not advertise or offer any marijuana or marijuana product as "free" or "donated" without a purchase.

- (e) Shall ensure that all advertising by the marijuana establishment contains such warnings as may be prescribed by the Department, which must include, without limitation, the following words:
  - (1) "Keep out of reach of children"; and
  - (2) "For use only by adults 21 years of age and older."
- 10. Nothing in subsection 9 shall be construed to prohibit a local government, pursuant to chapter 244, 268 or 278 of NRS, from adopting an ordinance for the regulation of advertising relating to marijuana which is more restrictive than the provisions of subsection 9 relating to:
- (a) The number, location and size of signs, including, without limitation, any signs carried or displayed by a natural person;
- (b) Handbills, pamphlets, cards or other types of advertisements that are distributed, excluding an advertisement placed in a newspaper of general circulation, trade publication or other form of print media; and
- (c) Any stationary or moving display that is located on or near the premises of a marijuana establishment.
- 11. If a marijuana establishment is operated by a dual licensee, the marijuana establishment may:
- (a) For the purpose of tracking marijuana, combine the inventory of the marijuana establishment with the inventory of any other medical marijuana establishment or marijuana establishment operated by the dual licensee;
- (b) For the purpose of reporting on the inventory of the marijuana establishment, combine the inventory of the marijuana establishment with the inventory of any other medical marijuana establishment or marijuana establishment operated by the dual licensee and report all such inventory under a single entity; and
- (c) For the purpose of reporting on the sales of any medical marijuana establishment or marijuana establishment operated by the dual licensee, designate each sale as a sale pursuant to the provisions of this chapter or chapter 453A of NRS in its inventory control system at the point of sale.
- 12. A retail marijuana store shall not sell marijuana or marijuana products to a consumer through the use of, or accept a sale of marijuana or marijuana products from, a third party, intermediary business, broker or any other business that does not hold a license for a retail marijuana store.
- 13. A retail marijuana store [shall not] may contract with a third party or intermediary business to [advertise delivery] deliver marijuana or marijuana products to consumers [...
- 14. A retail marijuana store shall not deliver marijuana or marijuana products to a consumer using an independent contractor unless, in *j* only if:
- (a) Every sale of marijuana or marijuana products which is delivered by the third party or intermediary business is made directly from the retail marijuana store or an Internet website, digital network or software application service of the retail marijuana store;

- (b) The third party or intermediary business does not advertise that it sells, offers to sell or appears to sell marijuana or marijuana products or allows the submission of an order for marijuana or marijuana products; and
- <u>(c) In</u> addition to any other requirements imposed by the Department by regulation, the name of the retail marijuana store and all independent contractors who perform deliveries on behalf of the retail marijuana store has been published on the Internet website of the Department.
- 14. Except as otherwise provided in chapter 453A of NRS, a person shall not:
- (a) Advertise the sale of marijuana or marijuana products by the person; or
- (b) Sell, offer to sell or appear to sell marijuana or marijuana products or allow the submission of an order for marijuana or marijuana products,
- → unless the person holds a license to operate a marijuana establishment.
- 15. As used in this section, "medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.
- Sec. 17.5. 1. The Attorney General shall conduct a study regarding the unlicensed sale of marijuana and products containing marijuana. As part of the study, the Attorney General shall:
- (a) Review the legal authority of state agencies and local governments to curtail the unlicensed sale of marijuana and products containing marijuana, including, without limitation, by use of websites, sales centers or other buildings to evade the laws of this State relating to the registration of medical marijuana establishments and the licensing of marijuana establishments.
- (b) Review the resources available to state agencies and local governments to prevent the unlicensed sale of marijuana and products containing marijuana.
- (c) Examine gaps in the enforcement of the laws of this State, including, without limitation, the importation of marijuana and products containing marijuana from other states.
- (d) Identify the extent of the unlicensed sale of marijuana and products containing marijuana in this State, including, without limitation, the number of operations engaging in the unlicensed sale of marijuana and products containing marijuana and the most common methods used to engage in such sales.
- (e) Examine any other issues relating to the unlicensed sale of marijuana that the Attorney General determines to be appropriate.
- 2. On or before February 1, 2021, the Attorney General shall report his or her findings, including, without limitation, any recommendations for legislation, to the Governor and the Director of the Legislative Counsel Bureau for transmission to the 81st Session of the Nevada Legislature. The report shall include, without limitation:
- (a) Recommendations for efficiently and effectively closing any gaps in legal authority or enforcement identified by the Attorney General; and
- (b) Identification of any money that may be necessary to carry out the recommendations of the Attorney General.

- Sec. 18. 1. This section becomes effective upon passage and approval.
- 2. Section 17.5 of this act becomes effective on July 1, 2019.
- 3. Sections 2 to 17, inclusive, of this act [becomes] become effective upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act and on January 2, 2020, for all other purposes.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 469 to Senate Bill No. 238 deletes various provisions of the bill to eliminate the requirement for one of the members appointed to the Nevada Tax Commission to have experience in the field of legalized marijuana. It eliminates all of the provisions of the bill that dealt with the Responsible Use of Marijuana Public Education Committee and the public awareness program established by the bill, including the elimination of the provisions to fund the costs related to the committee from marijuana excise tax proceeds.

The amendment additionally eliminates the requirement for the Attorney General's Office to maintain a hotline. Instead, there is language at the end of the bill that allows the Attorney General to bring together different entities to discuss the illegal sales and advertising of marijuana.

The amendment also provides that a transfer of a medical-marijuana registration certificate or a marijuana-establishment license to another party without transferring any portion of its ownership is subject to all State laws and regulations pertaining to the sale of a licensee. The amendment also provides that under certain circumstances, a marijuana establishment operated by a dual licensee is authorized to maintain inventory which is combined with the inventory of another marijuana-establishment operated by the dual licensee and report all such inventory under a single licensee or certificate. There will be a second personal amendment presented to clarify some of this language further.

The amendment also provides that marijuana establishments are authorized to contract with a third party or intermediary business to make deliveries under certain conditions. The amendment clarifies the language that says those entities may not have advertisements related to the sale of marijuana. The amendment provides a person is prohibited from engaging in certain activities related to advertising and selling marijuana and marijuana products unless the person holds a medical-marijuana establishment registration certificate or marijuana-establishment license.

Finally, the amendment provides if a dual licensee operates a medical-marijuana establishment, the establishment must ensure the sales of medical-marijuana products cannot be completed without ensuring the person who made the purchase holds a valid registry identification card or other authorization to purchase medical-marijuana. That was put in to address some issues brought up by the recent audit by the Department of Taxation.

Conflict of interest declared by Senator Ohrenschall.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 253.

Bill read second time.

The following amendment was proposed by the Committee on Education: Amendment No. 286.

SUMMARY—Revises provisions governing the suspension of licensed school employees. (BDR 34-582)

AN ACT relating to education; revising provisions governing the suspension and admonition of a licensed employee of a school district; [requiring the superintendent of a school district to provide written notice and

the opportunity for a hearing before suspending a licensed employee of the district; authorizing] removing the requirement that a superintendent [to suspend without pay] who suspends a licensed employee who has been charged with certain crimes [and benefits until the final disposition of the eriminal charges; making certain other revisions relating to the suspension of licensed employees;] initiate dismissal proceedings; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires an administrator charged with the supervision of a licensed employee of a school district to admonish the employee for a reason that the administrator believes may lead to demotion or dismissal or may cause the employee not to be reemployed. (NRS 391.755) Section [4] 11 of this bill authorizes the suspension and admonition of a licensed employee for the same conduct.

Existing law authorizes the superintendent of a school district to suspend a licensed employee without prior written notice or a hearing if: (1) the superintendent believes that grounds for dismissal of the employee exist; or (2) the employee has been officially charged but not yet convicted of certain crimes. (NRS 391.760) Existing law also authorizes dismissal of a licensed employee for conviction of those crimes. (NRS 391.750) Existing law requires the superintendent to begin dismissal proceedings not later than 5 days after a suspension becomes effective. (NRS 391.760) Section 11 [of this bill]: (1) increases this period to 10 days if the superintendent believes that grounds for dismissal exist; and (2) removes the fauthority of a superintendent to suspend a licensed employee without prior notice or the opportunity for a hearing. Sections 4.6 and 11 of this bill instead require a superintendent to provide: (1) written notice of a suspension at least 10 days before the suspension becomes effective: and (2) an opportunity for an informal presuspension hearing. Section 5 of this bill provides that, if the employee is suspended because he or she has been charged with but not yet convicted of certain crimes, the informal presuspension hearing must be limited to whether the employee has been charged with the crime.

Existing law requires the superintendent of a school district to begin dismissal proceedings within 5 days after a suspension based on grounds for dismissal or a criminal charge becomes effective. (NRS 391.760) Section 11: (1) revises this time to 10 days for a suspension based on grounds for dismissal; and (2) removes this requirement for a suspension based on a criminal charge. Section 5 instead provides that a suspension based on a criminal charge continues until the final disposition of the charge. If the charge is dismissed or the employee is found not guilty, section 5 requires the employee to be reinstated with back pay, plus interest, and seniority. If the employee is convicted, section 5 requires the superintendent to commence dismissal proceedings. In addition, the suspension of the employee continues until the conclusion of those dismissal proceedings.

Existing law provides that a licensed employee who is suspended based on grounds for dismissal or a criminal charge is entitled to continue to receive his or her salary and other benefits until the date on which dismissal proceedings are commenced. (NRS 391.760) Sections 5 and 11 of this bill remove this entitlement with respect to a licensed employee who is suspended based on a criminal charge. Section 11 additionally provides that, after dismissal proceedings are commenced, a licensed employee who is suspended based on grounds for dismissal is no longer entitled to continue to receive his or her salary and other benefits.

Existing law authorizes a licensed employee who is suspended based on grounds for dismissal or a criminal charge to continue to receive his or her salary from the date on which the dismissal proceedings are commenced until the conclusion of those proceedings if the employee furnishes to the school district a bond or other security that is acceptable to the board. (NRS 391.760) Sections 5 and 11 instead require such a bond or other security to be acceptable to the superintendent.

Existing law authorizes a superintendent to discipline a licensed employee by suspending the employee with loss of pay at any time after a hearing has been held. (NRS 391.760) Section 6 of this bill requires: (1) such a suspension to last for not more than 10 consecutive school days; and (2) such a hearing to be informal. Section 6 also authorizes the employee to decline the hearing. Sections 1, 2 and 7-10 of this bill make conforming changes.] requirement that the superintendent initiate proceedings for the dismissal of an employee who has been charged, but not convicted, of a crime. Section 11 instead requires the superintendent to offer such an employee the opportunity for an informal hearing concerning the continuation of the suspension within 10 days after the employee receives notice of the suspension.

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

Section 1. [NRS 388A.533 is hereby amended to read as follows:

<u>388A.533</u> 1. All employees of a charter school shall be deemed public employees.

2. Except as otherwise provided in NRS 388A.5342, the governing body of a charter school may make all decisions concerning the terms and conditions of employment with the charter school and any other matter relating to employment with the charter school. In addition, the governing body may make all employment decisions with regard to its employees pursuant to NRS 391.650 to 391.830, inclusive, and sections 4, 5 and 6 of this act unless a collective bargaining agreement entered into by the governing body pursuant to chapter 288 of NRS contains separate provisions relating to the discipline of licensed employees of a school.

3. Upon the request of the governing body of a charter school, the board of trustees of a school district shall, with the permission of the licensed employee who is seeking employment with the charter school, transmit to the governing body a copy of the employment record of the employee that is

maintained by the school district. The employment record must include, without limitation, each evaluation of the licensed employee conducted by the school district and any disciplinary action taken by the school district against the licensed employee.] (Deleted by amendment.)

- Sec. 2. [NRS 388B.410 is hereby amended to read as follows:
- <u>388B.410</u> 1. All employees of an achievement charter school shall be deemed public employees and are not employees of the Department.
- 2. Except as otherwise provided in a collective bargaining agreement entered into by the governing body of an achievement charter school pursuant to chapter 288 of NRS, the principal of an achievement charter school may make:
- (a) All decisions concerning the terms and conditions of employment with the achievement charter school and any other matter relating to employment with the achievement charter school; and
- (b) All employment decisions with regard to the employees of the achievement charter school pursuant to NRS 391.650 to 391.830, inclusive [.] and sections 4, 5 and 6 of this act.
- 3. Upon the request of the governing body of an achievement charter school, the board of trustees of a school district shall, with the permission of the licensed employee who is seeking employment with the achievement charter school, transmit to the governing body a copy of the employment record of the employee that is maintained by the school district. The employment record must include, without limitation, each evaluation of the licensed employee conducted by the school district and any disciplinary action taken by the school district against the licensed employee.] (Deleted by amendment.)
- Sec. 3. [Chapter 391 of NRS is hereby amended by adding thereto the provisions set forth as sections 4, 5 and 6 of this act.] (Deleted by amendment.)
- Sec. 4. [1. Written notice pursuant to NRS 391.760 or section 5 or 6 of this act must state the date on which the suspension becomes effective. Such written notice may be provided by any lawful means, including, without limitation, by:
- (a) Electronic mail to the electronic mail address maintained by the school district for the licensed employee; or
- (b) Depositing the notice with the United States Postal Service, properly addressed and postage prepaid, for delivery by first-class mail to the licensed employee's last known mailing address.
- 2. Except as otherwise provided in subsection 4 of section 5 of this act, a suspension must not become effective until at least 10 days after written notice is provided pursuant to subsection 1.
- 3. A licensed employee may be suspended pursuant to NRS 391.760 or section 5 or 6 of this act and admonished pursuant to NRS 391.755 for the same conduct.] (Deleted by amendment.)
- Sec. 5. [1. A superintendent may suspend a licensed employee who has been officially charged but not yet convicted of a felony or a crime involving

moral turpitude or immorality until the final disposition of the charge. Before the suspension takes effect, the superintendent shall provide:

- -(a) Written notice of the suspension pursuant to section 4 of this act; and
- (b) The opportunity for an informal hearing.
- 2. An informal hearing held pursuant to subsection 1 must be limited to determining whether the licensed employee has been officially charged with a felony or a crime involving moral turpitude or immorality. The actual guilt or innocence of the employee must not be considered in the hearing.
- 3. Except as otherwise provided in subsections 4 and 5, upon the suspension of the license of an employee, the salary and other benefits of the employee are suspended.
- 4. If the charge is dismissed or the licensed employee is found not guilty, the employee must be reinstated to his or her position with back pay, plus interest, and seniority. If the employee is convicted of the crime for which he or she was suspended:
- (a) The superintendent must begin proceedings pursuant to the provisions of NRS 391.680 to 391.810, inclusive, and sections 4, 5 and 6 of this act to carry out the dismissal of the employee; and
- (b) The suspension of the employee continues until a final determination is made during those proceedings.
- 5. A licensed employee who is suspended pursuant to this section may furnish to the school district a bond or other form of security which is acceptable to the superintendent as a guarantee that the employee will repay any amounts paid to him or her pursuant to this subsection as salary during a period of suspension. If such a bond or security is accepted, the employee is entitled to continue to receive his or her salary from the date on which the bond or other security is accepted until the final disposition of the charges or the conclusion of any dismissal proceedings, as applicable. The superintendent shall not unreasonably refuse to accept a form of security other than a bond. An employee who receives a salary pursuant to this subsection is liable for repayment of the amount received if the employee is subsequently dismissed or not reemployed as a result of a decision of the board or a report of a hearing officer.
- 6. A licensed employee charged with a felony or a crime involving immorality or moral turpitude who waives his or her right to a speedy trial while suspended from employment may receive not more than 12 months of back pay and seniority upon reinstatement if the employee is found not guilty or the charges are dismissed, unless proceedings to dismiss the employee are commenced for another ground set forth in NRS 391.750.
- 7. The superintendent may recommend that a licensed employee who has been charged with a felony or a crime involving immorality or moral turpitude be dismissed for another ground set forth in NRS 391.750, if appropriate.}
  (Deleted by amendment.)
- Sec. 6. [1. A superintendent may suspend a licensed employee for any reason set forth in NRS 391.750 with loss of pay for not more than

- 10 consecutive school days. Before imposing any such suspension, the superintendent shall provide:
- (a) Written notice of the suspension in accordance with section 4 of this act; and
- (b) The opportunity for an informal hearing.
- 2. A licensed employee may be suspended more than one time during the employee's contract year. Unless circumstances require otherwise, each suspension must be progressively longer than the previous suspension, but not more than 10 consecutive school days.] (Deleted by amendment.)
- Sec. 7. [NRS 391.650 is hereby amended to read as follows:
- -391.650 As used in NRS 391.650 to 391.830, inclusive, and sections 4, 5 and 6 of this act, unless the context otherwise requires:
- 1. "Administrator" means any employee who holds a license as an administrator and who is employed in that capacity by a school district.
- 2. "Board" means the board of trustees of the school district in which a licensed employee affected by NRS 391.650 to 391.830, inclusive, and sections 4, 5 and 6 of this act is employed.
- 3. "Demotion" means demotion of an administrator to a position of lesser rank, responsibility or pay and does not include transfer or reassignment for purposes of an administrative reorganization.
- 4. "Immorality" means:
- (a) An act forbidden by NRS 200.366, 200.368, 200.400, 200.508, 201.180, 201.190, 201.210, 201.220, 201.230, 201.265, 201.540, 201.560, 207.260, 453.316 to 453.336, inclusive, except an act forbidden by NRS 453.337, 453.338, 453.3385 to 453.3405, inclusive, 453.560 or 453.562; or
- (b) An act forbidden by NRS 201.540 or any other sexual conduct or attempted sexual conduct with a pupil enrolled in an elementary or secondary school. As used in this paragraph, "sexual conduct" has the meaning ascribed to it in NRS 201.520.
- 5. "Postprobationary employee" means an administrator or a teacher who has completed the probationary period as provided in NRS 391.820 and has been given notice of reemployment. The term does not include a person who is deemed to be a probationary employee pursuant to NRS 391.730.
- 6. "Probationary employee" means:
- (a) An administrator or a teacher who is employed for the period set forth in NRS 391.820; and
- (b) A person who is deemed to be a probationary employee pursuant to NRS 301-730.
- 7. "Superintendent" means the superintendent of a school district or a person designated by the board or superintendent to act as superintendent during the absence of the superintendent.
- 8. "Teacher" means a licensed employee the majority of whose working time is devoted to the rendering of direct educational service to pupils of a school district.] (Deleted by amendment.)

- Sec. 8. [NRS 391.655 is hereby amended to read as follows:
- 391.655 1. The demotion, suspension, dismissal and nonreemployment provisions of NRS 391.650 to 391.830, inclusive, and sections 4, 5 and 6 of this act do not apply to:
- (a) Substitute teachers; or
- —(b) Adult education teachers.
- 2. The admonition, demotion, suspension, dismissal and nonreemployment provisions of NRS 391.650 to 391.800, inclusive, and sections 4, 5 and 6 of this act do not apply to:
- (a) A probationary teacher. The policy for evaluations prescribed in NRS 391.685 and 391.725 applies to a probationary teacher.
- (b) A principal described in subsection 1 of NRS 391.825 with respect to his or her employment as a principal.
- (e) A principal who is employed at-will pursuant to subsection 2 of NRS 391.825.
- (d) An administrator described in subsection 2 of NRS 391.830.
- (e) A new employee who is employed as a probationary administrator primarily to provide administrative services at the school level and not primarily to provide direct instructional services to pupils, regardless of whether licensed as a teacher or administrator, including, without limitation, a principal and vice principal.
- Insofar as it is consistent with the provisions of NRS 391.825 and 391.830, the policy for evaluations prescribed in NRS 391.700 and 391.725 applies to any administrator described in this subsection.
- 3. The admonition, demotion and suspension provisions of NRS 391.650 to 391.800, inclusive, and sections 4, 5 and 6 of this act do not apply to a postprobationary teacher who is employed as a probationary administrator primarily to provide administrative services at the school level and not primarily to provide direct instructional services to pupils, regardless of whether licensed as a teacher or administrator, including, without limitation, a principal and vice principal, with respect to his or her employment in the administrative position. The policy for evaluations prescribed in NRS 391.700 and 391.725 applies to such a probationary administrator.
- 4. The provisions of NRS 391.650 to 391.800, inclusive, and sections 4, 5 and 6 of this act do not apply to a teacher whose employment is suspended or terminated pursuant to subsection 3 of NRS 391.120 or NRS 391.3015 for failure to maintain a license in force.
- 5. A licensed employee who is employed in a position fully funded by a federal or private categorical grant or to replace another licensed employee during that employee's leave of absence is employed only for the duration of the grant or leave. Such a licensed employee and licensed employees who are employed on temporary contracts for 90 school days or less, or its equivalent in a school district operating under an alternative schedule authorized pursuant to NRS 388.090, to replace licensed employees whose employment has terminated after the beginning of the school year are entitled to credit for that

time in fulfilling any period of probation and during that time the provisions of NRS 391.650 to 391.830, inclusive, and sections 4, 5 and 6 of this act for demotion, suspension or dismissal apply to them.] (Deleted by amendment.)

- Sec. 9. [NRS 391.660 is hereby amended to read as follows:
- 391.660 Excluding the provisions of NRS 391.730, 391.825 and 391.830, the provisions of NRS 391.650 to 391.830, inclusive, and sections 4, 5 and 6 of this act do not apply to a teacher or other licensed employee who has entered into a contract with the board negotiated pursuant to chapter 288 of NRS if the contract contains separate provisions relating to the board's right to dismiss or refuse to reemploy the employee.] (Deleted by amendment.)
  - Sec. 10. [NRS 391.755 is hereby amended to read as follows:
- 391.755 1. Whenever an administrator charged with supervision of a licensed employee believes it is necessary to admonish the employee for a reason that the administrator believes may lead to demotion or dismissal or may cause the employee not to be reemployed under the provisions of NRS 391.750, the administrator shall:
- (a) Except as otherwise provided in subsection 3, bring the matter to the attention of the employee involved, in writing, stating the reasons for the admonition and that it may lead to the employee's demotion, dismissal or a refusal to reemploy him or her, and make a reasonable effort to assist the employee to correct whatever appears to be the cause for the employee's potential demotion, dismissal or a potential recommendation not to reemploy him or her; and
- (b) [Except as otherwise provided in] *Unless the employee is suspended pursuant to NRS 391.760, or section 5 or 6 of this act,* allow reasonable time for improvement, which must not exceed 3 months for the first admonition.
- → The admonition must include a description of the deficiencies of the employee and the action that is necessary to correct those deficiencies.
- 2. An admonition issued to a licensed employee who, within the time granted for improvement, has met the standards set for the employee by the administrator who issued the admonition must be removed from the records of the employee together with all notations and indications of its having been issued. The admonition must be removed from the records of the employee not later than 3 years after it is issued.
- 3. An administrator need not admonish an employee pursuant to paragraph (a) of subsection 1 if the administrator has been informed by the superintendent that the superintendent intends to recommend the dismissal of the employee to the board in the manner set forth in NRS 391.822, 391.824 and 391.826.
- 4. A licensed employee is subject to immediate dismissal or a refusal to reemploy according to the procedures provided in NRS 391.650 to 391.830, inclusive, and sections 4, 5 and 6 of this act without the admonition required by this section, on grounds contained in paragraphs (b), (f), (g), (h), (p), (s), (t) and (u) of subsection 1 of NRS 391.750.] (Deleted by amendment.)

- Sec. 11. NRS 391.760 is hereby amended to read as follows:
- 391.760 1. If a superintendent has reason to believe that <u>cause exists</u> faground set forth in NRS 391.7501 for the dismissal of a licensed employee and the superintendent is of the opinion that the immediate suspension of the employee is necessary in the best interests of the pupils in the district, fexists, the superintendent may suspend the employee without notice funtil the board issues a decision or the hearing officer issues a report, if the report is final and binding, concerning the dismissal. Except as otherwise provided in subsection 4 of section 5 of this act, the superintendent shall, before the suspension takes effect, provide:
- (a) Notice of the suspension pursuant to section 4 of this act; I and without
- [ (b) The opportunity for an informal] hearing. Within 10 days after the suspension becomes effective, the superintendent shall begin proceedings pursuant to NRS 391.680 to 391.810, inclusive, to carry out the employee's dismissal. The employee is entitled to continue to receive his or her salary and other benefits after the suspension becomes effective until the date on which the dismissal proceedings are commenced.
- 2. Notwithstanding the provisions of NRS 391.750, a superintendent may suspend a licensed employee who has been officially charged but not yet convicted of a felony or a crime involving moral turpitude or immorality. If the charge is dismissed or if the employee is found not guilty, the employee must be reinstated with back pay, plus interest, and normal seniority. The superintendent shall notify the employee in writing of the suspension.
- 12. Within 5-10 days after a suspension pursuant to this section becomes effective, the superintendent shall begin proceedings pursuant to the provisions of NRS 391.680 to 391.810, inclusive, and sections 4, 5 and 6 of this act to effect the licensed employee's dismissal.] Within 10 days after the date on which the employee receives such notice, the superintendent shall provide the employee with the opportunity for an informal hearing to address the circumstances relating to the charges and any other circumstances relating to the suspension. The superintendent shall issue a written decision concerning the continuation of the suspension based on the information presented at the hearing. The Except as otherwise provided in subsection 4 of section 5 of this act, the employee is entitled to continue to receive his or her salary and other benefits after the suspension becomes effective until the date on which the [dismissal proceedings are commenced.] superintendent issues the written decision. The superintendent may recommend that an employee who has been charged with a felony or a crime involving immorality be dismissed for another ground set forth in NRS 391.750. Except as otherwise provided in subsection 4, after the dismissal proceedings are commenced, the employee is no longer entitled to continue to receive his or her salary and other benefits.
- 3. If <u>sufficient grounds for dismissal [do]</u> are not found to exist [, the licensed employee is not dismissed] at the conclusion of the [dismissal]

proceedings [+-] conducted pursuant to subsection 1 or 2, the employee must be reinstated with full compensation, plus interest.

- 4. A licensed employee who <u>furnishes</u> <u>fis suspended pursuant to this</u> <u>section may furnish</u>} to the school district a bond or other <u>form of</u> security which is acceptable to the <u>board [superintendent]</u> as a guarantee that the employee will repay any amounts paid to him or her pursuant to this subsection as salary during a period of suspension <u>f. If such a bond or other security is provided,</u>} the <u>employee</u> is entitled to continue to receive his or her salary from the date on which the dismissal proceedings are commenced until the decision of the board or the report of the hearing officer, if the report is final and binding. The <u>board [superintendent]</u> shall not unreasonably refuse to accept a <u>form of</u> security other than a bond. An employee who receives a salary pursuant to this subsection <u>shall repay it</u> <u>fis liable for repayment of the amount received</u>} if the employee is <u>fsubsequently</u>} dismissed or not reemployed as a result of a decision of the board or a report of a hearing officer.
- 5. A licensed employee who is convicted of a crime which requires registration pursuant to NRS 179D.010 to 179D.550, inclusive, or is convicted of an act forbidden by NRS 200.508, 201.190, 201.265, 201.540, 201.560 or 207.260 forfeits all rights of employment from the date of his or her arrest.
- 6. A licensed employee who is convicted of any crime and who is sentenced to and serves any sentence of imprisonment forfeits all rights of employment from the date of his or her arrest or the date on which his or her employment terminated, whichever is later.
- 7. A licensed employee who is charged with a felony or a crime involving immorality or moral turpitude and who waives his or her right to a speedy trial while suspended may receive no more than 12 months of back pay and seniority upon reinstatement if the employee is found not guilty or the charges are dismissed, unless proceedings have been begun to dismiss the employee upon one of the other grounds set forth in NRS 391.750.
- 8. A superintendent may discipline a licensed employee by suspending the employee with loss of pay at any time after a hearing has been held which affords the due process provided for in this chapter. The grounds for suspension are the same as the grounds contained in NRS 391.750. An employee may be suspended more than once during the employee's contract year, but the total number of days of suspension may not exceed 20 in 1 contract year. Unless circumstances require otherwise, the suspensions must be progressively longer.
- 9. A licensed employee may be suspended pursuant to this section and admonished pursuant to NRS 391.755 for the same conduct.
- Sec. 12. 1. The provisions of this act apply to any suspension or dismissal imposed on or after the effective date of this act. Any suspension of a licensed employee of a school district pursuant to NRS 391.760 imposed before the effective date of this act remains valid and the licensed employee remains subject to the terms of that suspension.

- 2. Any provision of a collective bargaining agreement that is in effect on the effective date of this act which conflicts with the amendatory provisions of this act is void and unenforceable with respect to any action taken on or after the effective date of this act.
  - Sec. 13. This act becomes effective upon passage and approval.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 286 to Senate Bill No. 253 removes provisions of the bill concerning written notice and hearing opportunities prior to suspending a license and removes the limitations on the length of a suspension and a requirement that a discipline hearing be informal. In its original form, the bill shifted the authority to accept the bond or security to the superintendent. The amendment restores that approval to the school district's board of trustees, as provided in current law. The amendment restores the superintendent's authority to suspend an employee based upon criminal charges under certain circumstances. The superintendent must begin dismissal proceedings not more than ten days after the suspension becomes effective if he or she believes the grounds for dismissal exist. The previous requirement was that the proceeding begin within five days. It also removes the requirement the superintendent initiate proceedings for the dismissal of an employee charged of a crime but not convicted. Instead, the superintendent is required to offer the employee the opportunity for an informal hearing concerning the continuation of the suspension within ten days after the employee receives the suspension notice.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 256.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 612.

SUMMARY—Revises <del>[provisions relating to discrimination in housing and]</del> various provisions relating to landlords and tenants. (BDR 10-569)

AN ACT relating to housing; [revising provisions relating to discrimination in housing;] revising provisions relating to the return of security deposits; limiting the amount of fees for late rent; revising provisions relating to the recovery of damages by a tenant for a landlord's failure to maintain a dwelling unit in a habitable condition; requiring a landlord to allow a former tenant to retrieve essential personal effects and establishing an expedited procedure if a landlord acts unreasonably under such circumstances; authorizing a tenant to take certain actions if a landlord abuses the right of access to a dwelling unit or uses that right to harass the tenant; making various other changes to provisions relating to housing; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law, commonly referred to as the Nevada Fair Housing Law, prohibits discrimination in housing, including discrimination when selling or renting a dwelling on the basis of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex. (NRS 118.010-118.120) Section 1 of this bill also prohibits such

discriminatory practices on the basis that the income of a person is derived from governmental benefits.

Existing law prohibits certain acts and practices relating to discrimination in housing on the basis of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex. (NRS 118.100) Section 2 of this bill further prohibits discrimination in such acts and practices on the basis that the income of a person is derived from governmental benefits. In addition, section 2 prohibits a person from refusing to rent a dwelling in a low-income housing project or qualified low-income housing project to an applicant because the applicant has a previous history of an inability to pay rent.]

Existing law defines certain terms used in chapter 118A of NRS, otherwise known as the Residential Landlord and Tenant Act. (NRS 118A.030-118A.170) Sections 5, 6 and 9 of this bill add new definitions and revise certain existing definitions, and sections 3, [11-14,] 2-14, 16, 18, 19 and 23 of this bill make conforming changes.

Existing law establishes the manner in which a landlord may receive a security deposit or surety bond, or combination thereof to secure a rental agreement. Existing law further provides the manner in which the landlord may deduct money from the security deposit or surety bond. (NRS 118A.242) Section 7 of this bill allows a tenant, upon termination of a rental agreement, to request an initial inspection of the premises by the landlord so that the tenant has an opportunity to remedy any deficiency that may otherwise cause a deduction in the security deposit or from the surety bond. In addition, section 7 allows a tenant who requests an initial inspection to request a final inspection within [3] 21 days after vacating the premises and receive a statement of any deficiencies. Existing law requires the return of the security deposit within 30 days and makes a landlord liable for certain amounts for failing to return the security deposit within that period. (NRS 118A.242) Section 11 of this bill reduces that to [14] 21 days after termination of the tenancy. [, or within 5 days after a final inspection pursuant to section 7, whichever is earlier.] Section 21 of this bill requires tenants to be given information about these new provisions relating to inspections.

Section 10 of this bill [authorizes a landlord to charge a reasonable late fee for the late payment of rent, but prohibits imposition until 3 days after rent is due and limits the maximum amount that may be imposed for a late fee to not more than 5 percent of the periodic rent.] provides that notwithstanding any provision in a rental agreement to the contrary, all payments from a tenant must be applied first to any outstanding rent unless, at the time of making a specific payment, the tenant requests otherwise in writing.

Existing law requires a tenant who seeks to recover damages from a landlord who has failed to maintain the dwelling unit in a habitable condition to first give written notice to the landlord specifying each condition constituting the failure to maintain the dwelling unit in a habitable condition and requesting that the landlord remedy that condition. Such notice is not required if: (1) the

landlord admits to the court that the landlord had knowledge of the condition; or (2) the landlord received written notice from a governmental agency regarding the condition. Existing law also allows the tenant to withhold rent from the landlord until the landlord has remedied the condition, but requires the tenant to deposit the withheld rent into an escrow account as a condition of raising the landlord's failure to remedy the condition as a defense to an eviction. (NRS 118A.355) Section 15 of this bill also allows the tenant to recover such damages under such circumstances without giving prior written notice to the landlord if the tenant proves to the court that the landlord had actual knowledge of the condition constituting the failure to maintain the dwelling unit in a habitable condition. [Section 15 also clarifies that a tenant who is seeking to recover actual damages from a landlord who has failed to maintain the dwelling unit in a habitable condition may raise a defense to an eviction without depositing the withheld rent into an escrow account.]

Existing law prohibits a tenant from unreasonably withholding consent for the landlord to enter the dwelling unit to inspect the premises, make repairs, alterations or improvements, supply necessary or agreed services or exhibit the dwelling unit to persons with an interest in inspecting the premises. Existing law also authorizes the landlord to enter the dwelling unit without consent of the tenant in an emergency and prohibits the landlord from abusing the right of access or using it to harass the tenant. (NRS 118A.330) Existing law also authorizes a tenant to take certain actions, such as recovering immediate possession, terminating the rental agreement and recovering damages, if the landlord: (1) unlawfully removes the tenant from the premises or excludes the tenant by blocking or attempting to block the tenant's entry upon the premises; (2) willfully interrupts or causes or permits the interruption of any essential item or service required by the rental agreement or the Residential Landlord and Tenant Act; or (3) unlawfully recovers possession of the dwelling unit. (NRS 118A.390) Section 17 of this bill authorizes the tenant to take such actions if the landlord abuses the right of access to the dwelling unit or uses that right to harass the tenant.

Existing law sets forth a procedure for a landlord to dispose of personal property abandoned on the premises by a former tenant or left on the premises after eviction of the tenant without incurring civil or criminal liability. (NRS 118A.460) Section 20 of this bill requires a landlord, during the 5-day period following the eviction or lockout of a tenant, to provide the former tenant a reasonable opportunity to retrieve essential personal effects from the premises. Section 22 of this bill establishes an expedited procedure for a former tenant to retrieve essential personal effects if a landlord acts unreasonably in providing access to the former tenant to retrieve essential personal effects.

Existing law prohibits a landlord from refusing to accept rent from a tenant submitted after the landlord or the landlord's agent serves notice requiring payment of the rent or surrender of the premises if the refusal is based on the fact that the tenant has not paid collection fees, attorney's fees or other costs other than rent, a reasonable charge for late payments of rent or dishonored checks, or a security. (NRS 40.253) Section 22 prohibits a landlord from refusing to accept rent under such circumstances if the refusal is based on the fact that the tenant has not paid any amount that does not constitute rent.

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

### Section 1. [NRS 118.020 is hereby amended to read as follows:

- —118.020—1. It is hereby declared to be the public policy of the State of Nevada that all people in the State have equal opportunity to inherit, purchase, lease, rent, sell, hold and convey real property without discrimination, distinction or restriction because of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status. For least 1.1 or income derived from covernmental benefits.
- 2. Nothing in this chapter shall be deemed to render enforceable a conveyance or other contract made by a person who lacks the capacity to contract.
- 3. As used in this section, "income derived from governmental benefits" means any money or other benefits received pursuant to any federal, state or local governmental program or service.] (Deleted by amendment.)
- Sec. 2. INRS 118.100 is hereby amended to read as follows:
- —118.100—1. A person shall not, because of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status, [or] sex [:] or income derived from governmental benefits:
- —[1.] (a) Refuse to sell or rent or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person.
- [2.] (b) Discriminate against any person in the terms, conditions or privileges of sale or rental of a dwelling, including the amount of breakage or brokerage fees, deposits or other undue penalties, or in the provision of services or facilities in connection therewith.
- [3.] (c) Make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation or discrimination, or an intention to make any preference, limitation or discrimination. As used in this [subsection,] paragraph, "dwelling" includes a house, room or unit described in subsection 2 or 3 of NRS 118.060.
- -[4.] (d) Represent to any person because of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex that any dwelling is not available for inspection, sale or rental when the dwelling is in fact so available.
- [5.] (c) For profit, induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person of a particular race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex.

- <u>[6.]</u> (f) Cocree, intimidate, threaten or interfere with any person in the exercise or enjoyment of, or on account of that person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected in this chapter.
- 2. A person shall not refuse to rent a dwelling in a low income housing project or qualified low-income housing project to an applicant because the applicant has a prior history of an inability to pay rent.
- 3. As used in this section:
- (a) "Income derived from governmental benefits" means any money or other benefits received pursuant to any federal, state or local governmental program or service.
- (b) "Low-income housing project" has the meaning ascribed to it is 42 U.S.C. § 1437a(b)(1).
- (c) "Qualified low-income housing project" has the meaning ascribed to in 26 U.S.C. § 42(g).] (Deleted by amendment.)
  - Sec. 3. NRS 118.101 is hereby amended to read as follows:
  - 118.101 1. A person may not refuse to:
- (a) Authorize a person with a disability to make reasonable modifications to a dwelling which he or she occupies or will occupy if:
  - (1) The person with the disability pays for the modifications; and
- (2) The modifications are necessary to ensure that the person with the disability may use and enjoy the dwelling; or
- (b) Make reasonable accommodations in rules, policies, practices or services if those accommodations are necessary to ensure that the person with the disability may use and enjoy the dwelling.
- 2. A landlord may, as a condition for the authorization of such a modification, reasonably require the person who requests the authorization, upon the termination of his or her occupancy, to restore the dwelling to the condition that existed before the modification, reasonable wear and tear excepted.
- 3. Except as otherwise provided in subsection 4, a landlord may not increase the amount of a security deposit the landlord customarily requires a person to deposit because that person has requested authorization to modify a dwelling pursuant to subsection 1.
- 4. If a person requests authorization to modify a dwelling pursuant to subsection 1, the landlord may require that person to deposit [a reasonable amount of] a security deposit in addition to the [amount] security deposit the landlord usually requires if the additional [amount:] security deposit:
- (a) Is necessary to ensure the restoration of the dwelling pursuant to subsection 2;
  - (b) Does not exceed the actual cost of the restoration; and
- (c) Is deposited by the landlord in an interest-bearing account. Any interest earned on the additional amount must be paid to the person who requested the authorization.

- 5. As used in this section, "security ["] *deposit*" has the meaning ascribed to it in [NRS 118A.240.] *section 6 of this act.*
- Sec. 4. Chapter 118A of NRS is hereby amended by adding thereto the provisions set forth as sections 5, 6 and 7 of this act.
  - Sec. 5. "Periodic rent" means:
- 1. For a tenancy for a fixed term or a tenancy on a month to month basis, the amount of money payable each month;
- 2. For a tenancy on a week to week basis, the amount payable each week; and
- 3. For a tenancy on an annual basis, the amount payable annually divided by 12.
- Sec. 6. <u>1.</u> "Security deposit" means <del>[an amount of money]</del> any payment, deposit, fee or charge paid in cash, by check or other acceptable manner to a landlord <del>[to secure payment or performance of a tenant's obligations under a lease or this chapter and any interest or other identifiable proceeds from that <del>amount.]</del> for any of the following purposes:</del>
- (a) Remedying any default of the tenant in the payments of rent.
- (b) Repairing damage to the premises other than normal wear caused by the tenant.
- (c) Cleaning the dwelling unit.
- 2. The term does not include <del>[rent or nonrefundable fees, including any amount payable by a tenant to a landlord which the landlord has no obligation to account for or return to the tenant, except if the landlord does not deliver physical possession of the dwelling unit to the tenant as required pursuant to this chapter.]</del> any payment, deposit or fee to secure an option to purchase the premises.
- Sec. 7. 1. Except as otherwise provided in subsection 6, not later than 5 days after either party to a rental agreement gives notice of an intent to terminate the tenancy, the tenant may request, in writing, an initial inspection of the premises to allow the tenant an opportunity to remedy any deficiency that would otherwise cause a deduction from the security deposit or surety bond, or combination thereof, as applicable.
- 2. Upon receipt of a request for an initial inspection pursuant to subsection 1, but not sooner than 2 weeks before the date of the termination of the tenancy, the landlord shall conduct or provide for the initial inspection of the premises at a date and time that is mutually agreed upon. The tenant has the right to be present during the initial inspection.
- 3. Upon completion of the initial inspection, the landlord shall provide the tenant with an itemized statement of each deficiency identified during the initial inspection and the action necessary to avoid incurring a deduction from the security deposit or surety bond, or combination thereof, as applicable. If the tenant is present during the initial inspection, the landlord shall provide the statement to the tenant at that time. If the tenant is not present during the initial inspection, the landlord shall leave the statement on the premises in a location that is likely to be seen by the tenant upon his or her return.

- 4. Upon receipt of an itemized statement pursuant to subsection 3, except as otherwise provided in this subsection, the tenant may take any action necessary to remedy a deficiency identified in the statement in a manner consistent with the rights and obligations of the parties under the rental agreement. The tenant shall not take any action to remedy a deficiency relating to a mechanical, electrical or plumbing system the repair of which requires professional licensure to perform.
- 5. A tenant who requests an initial inspection pursuant to subsection 1 may request a final inspection of the premises which must be conducted not later than [3] 21 days after the tenant vacates the premises. [If there are no deficiencies identified during the final inspection, the landlord shall return the full amount of the security deposit to the tenant in accordance with NRS 118A.242. If a deficiency is identified during the final inspection, the landlord shall provide the tenant an itemized statement of each deficiency and the amount to be withheld to resolve the deficiency from the security deposit or surety bond, or combination thereof, as applicable, and the amount to be returned after deducting such amounts as set forth in NRS 118A.242.]
  - 6. The provisions of this section [do]:
- <u>(a) Do</u> not apply to a tenant who vacates the premises pursuant to an order for removal or a writ of restitution.
- (b) Must not be construed to preclude a landlord from making a deduction from the security deposit or surety bond, or combination thereof, as applicable, for a deficiency that was not reasonably observable during an initial or final inspection of the premises conducted pursuant to this section.
- 7. As used in this section, "deficiency" means any damage to the premises caused by the tenant other than normal wear and includes, without limitation, necessary cleaning and repairs to the premises.
  - Sec. 8. NRS 118A.020 is hereby amended to read as follows:
- 118A.020 As used in this chapter, unless the context otherwise requires, the terms defined in NRS 118A.030 to 118A.170, inclusive, *and sections 5 and 6 of this act* have the meanings ascribed to them in those sections.
  - Sec. 9. NRS 118A.150 is hereby amended to read as follows:
- 118A.150 "Rent" means [all periodic payments to be made to the landlord for occupancy of] a payment for the right to possess a dwelling unit . [, including, without limitation, all reasonable and actual late fees set forth in the rental agreement.] The term does not include a security deposit, service fees, notice fees, collection fees, damages, costs for repairs, attorney's fees, late fees or other nonrefundable fees.
  - Sec. 10. NRS 118A.210 is hereby amended to read as follows:
- 118A.210 1. Rent is payable without demand or notice at the time and place agreed upon by the parties.
- 2. Unless the rental agreement establishes a definite term, the tenancy is from week to week in the case of a tenant who pays weekly rent and in all other cases the tenancy is from month to month.
  - 3. In the absence of an agreement, either written or oral:

- (a) Rent is payable at the beginning of the tenancy; and
- (b) Rent for the use and occupancy of a dwelling is the fair rental value for the use and occupancy.
- 4. [A landlord may charge a reasonable late fee for the late payment of rent as set forth in the rental agreement, but:
- (a) Such a late fee must not be charged until 3 days after the rent is due and must not exceed 5 percent of the amount of the periodic rent; and
- (b) The maximum amount of the late fee must not be increased based upon a late fee that has previously been imposed.] Notwithstanding any provision in a rental agreement to the contrary, all payments from a tenant must be applied first to any outstanding rent unless, at the time of making a specific payment, the tenant requests otherwise in writing.
  - Sec. 11. NRS 118A.242 is hereby amended to read as follows:
- 118A.242 1. The landlord may not demand or receive *a* security *deposit* or a surety bond, or a combination thereof, including the last month's rent, whose total amount or value exceeds 3 months' periodic rent.
- 2. In lieu of paying all or part of the security *deposit* required by the landlord, a tenant may, if the landlord consents, purchase a surety bond to secure the tenant's obligation to the landlord under the rental agreement to:
  - (a) Remedy any default of the tenant in the payment of rent.
  - (b) Repair damages to the premises other than normal wear and tear.
  - (c) Clean the dwelling unit.
  - 3. The landlord:
- (a) Is not required to accept a surety bond purchased by the tenant in lieu of paying all or part of the security [;] deposit; and
- (b) May not require a tenant to purchase a [security] surety bond in lieu of paying all or part of the security [-] deposit.
- 4. Upon termination of the tenancy by either party for any reason, the landlord may claim of the security *deposit* or surety bond, or a combination thereof, only such amounts as are reasonably necessary to remedy any default of the tenant in the payment of rent, to repair damages to the premises caused by the tenant other than normal wear and to pay the reasonable costs of cleaning the premises. The landlord shall provide the tenant with an itemized , written accounting of the disposition of the security *deposit* or surety bond, or a combination thereof, *as applicable*, and return any remaining portion of the security *deposit* to the tenant no later than [30–14] 21 days after the termination of the tenancy *for 5 days after a final inspection is conducted pursuant to section 7 of this act, whichever is earlier,*] by handing it to the tenant personally at the place where the rent is paid, or by mailing it to the tenant at the tenant's present address or, if that address is unknown, at the tenant's last known address.
- 5. If a tenant disputes an item contained in an itemized, written accounting received from a landlord pursuant to  $\{subsection\}$ :
- (a) Subsection 4, for section 7 of this act,] the tenant may send a written response disputing the item to the surety. If the tenant sends the written

response within 30 days after receiving the itemized, written accounting, the surety shall not report the claim of the landlord to a credit reporting agency unless the surety obtains a judgment against the tenant.

- (b) Section 7 of this act, the tenant may petition the court for recovery of the damages described in paragraphs (a) and (b) of subsection 6.
- 6. If the landlord fails or refuses to return the remainder of a security deposit within [30] 21 days after the end of a tenancy. \*[the period required pursuant to subsection 4 or if the landlord fails to comply with the provisions of section 7 of this act relating to an initial inspection or final inspection,] the landlord is liable to the tenant for damages:
  - (a) In an amount equal to the entire security deposit; and
- (b) For a sum to be fixed by the court of not more than the amount of the entire *security* deposit.
- 7. In determining the sum, if any, to be awarded under paragraph (b) of subsection 6, the court shall consider:
  - (a) Whether the landlord acted in good faith;
  - (b) The course of conduct between the landlord and the tenant; and
  - (c) The degree of harm to the tenant caused by the landlord's conduct.
- 8. Except for an agreement which provides for a nonrefundable charge for cleaning, in a reasonable amount, no rental agreement may contain any provision characterizing any security *deposit* under this section as nonrefundable or any provision waiving or modifying a tenant's rights under this section. Any such provision is void as contrary to public policy.
- 9. The claim of a tenant to *a* security *deposit* to which the tenant is entitled under this chapter takes precedence over the claim of any creditor of the landlord.
  - Sec. 12. NRS 118A.244 is hereby amended to read as follows:
- 118A.244 1. Upon termination of the landlord's interest in the dwelling unit, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or his or her agent shall, within a reasonable time, do one of the following, which relieves the landlord of further liability with respect to the security *deposit* or surety bond, or a combination thereof:
- (a) Notify the tenant in writing of the name, address and telephone number of the landlord's successor in interest, and that the landlord has transferred to his or her successor in interest the portion of the security *deposit* or surety bond, or combination thereof, remaining after making any deductions allowed under NRS 118A.242.
- (b) Return to the tenant the portion of the security *deposit* remaining after making any deductions allowed under NRS 118A.242.
- → The successor has the rights, obligations and liabilities of the former landlord as to any [securities which are] portion of the security deposit owed under this section or NRS 118A.242 at the time of transfer.
- 2. The landlord shall, before he or she records a deed transferring any dwelling unit:

- (a) Transfer to his or her successor, in writing, the portion of any tenant's security deposit or other money held by the landlord which remains after making any deductions allowed under NRS 118A.242; or
- (b) Notify his or her successor in writing that the landlord has returned all such *security* deposits or portions thereof to the tenant.
- 3. Upon the termination of a landlord's interest in the dwelling unit, whether by sale, assignment, death, appointment of receiver or otherwise, the successor in interest:
- (a) Shall accept the tenant's security *deposit* or surety bond, or a combination thereof; and
- (b) Shall not require any additional security *deposit* or surety bond, or a combination thereof, from the tenant during the term of the rental agreement.
  - Sec. 13. NRS 118A.250 is hereby amended to read as follows:
- 118A.250 The landlord shall deliver to the tenant upon the tenant's request a signed written receipt for the security *deposit* or surety bond, or a combination thereof, and any other payments, deposits or fees, including rent, paid by the tenant and received by the landlord. The tenant may refuse to make rent payments until the landlord tenders the requested receipt.
  - Sec. 14. NRS 118A.350 is hereby amended to read as follows:
- 118A.350 1. Except as otherwise provided in this chapter, if the landlord fails to comply with the rental agreement, the tenant shall deliver a written notice to the landlord specifying the acts and omissions constituting the breach and stating that the rental agreement will terminate as provided in this section. If the breach is remediable and the landlord adequately remedies the breach or uses his or her best efforts to remedy the breach within 14 days after receipt of the notice, the rental agreement does not terminate by reason of the breach. If the landlord fails to remedy the breach or make a reasonable effort to do so within the prescribed time, the tenant may:
  - (a) Terminate the rental agreement immediately.
  - (b) Recover actual damages.
- (c) Apply to the court for such relief as the court deems proper under the circumstances.
- 2. The tenant may not terminate the rental agreement for a condition caused by the tenant's own deliberate or negligent act or omission or that of a member of his or her household or other person on the premises with his or her consent.
- 3. If the rental agreement is terminated, the landlord shall return all prepaid rent and *any* security *deposit* recoverable by the tenant under this chapter.
- 4. A tenant may not proceed under this section unless the tenant has given notice as required by subsection 1, except that the tenant may, without giving that notice, recover damages under paragraph (b) of subsection 1 if the landlord:
- (a) Admits to the court that the landlord had knowledge of the condition constituting the breach; or

- (b) Has received written notice of that condition from a governmental agency authorized to inspect for violations of building, housing or health codes.
  - Sec. 15. NRS 118A.355 is hereby amended to read as follows:
- 118A.355 1. Except as otherwise provided in this chapter, if a landlord fails to maintain a dwelling unit in a habitable condition as required by this chapter, the tenant shall deliver a written notice to the landlord specifying each failure by the landlord to maintain the dwelling unit in a habitable condition and requesting that the landlord remedy the failures. If a failure is remediable and the landlord adequately remedies the failure or uses his or her best efforts to remedy the failure within 14 days after receipt of the notice, the tenant may not proceed under this section. If the landlord fails to remedy a material failure to maintain the dwelling unit in a habitable condition or to make a reasonable effort to do so within the prescribed time, the tenant may:
  - (a) Terminate the rental agreement immediately.
  - (b) Recover actual damages.
- (c) Apply to the court for such relief as the court deems proper under the circumstances.
- (d) Withhold any rent that becomes due without incurring late fees, charges for notice or any other charge or fee authorized by this chapter or the rental agreement until the landlord has remedied, or has attempted in good faith to remedy, the failure.
  - 2. The tenant may not proceed under this section:
- (a) For a condition caused by the tenant's own deliberate or negligent act or omission or that of a member of his or her household or other person on the premises with his or her consent; or
- (b) If the landlord's inability to adequately remedy the failure or use his or her best efforts to remedy the failure within 14 days is due to the tenant's refusal to allow lawful access to the dwelling unit as required by the rental agreement or this chapter.
- 3. If the rental agreement is terminated, the landlord shall return all prepaid rent and *any* security *deposit* recoverable by the tenant under this chapter.
- 4. A tenant may not proceed under this section unless the tenant has given notice as required by subsection 1, except that the tenant may, without giving that notice:
  - (a) Recover damages under paragraph (b) of subsection 1 if : [the landlord:]
- (1) [Admits] The landlord admits to the court that the landlord had knowledge of the condition constituting the failure to maintain the dwelling in a habitable condition; [or]
- (2) [Has] The tenant proves to the court that the landlord had actual knowledge of the condition constituting the failure to maintain the dwelling in a habitable condition; or
- (3) The landlord received written notice of [that] the condition constituting the failure to maintain the dwelling in a habitable condition from

a governmental agency authorized to inspect for violations of building, housing or health codes.

- (b) Withhold rent under paragraph (d) of subsection 1 if the landlord:
- (1) Has received written notice of the condition constituting the failure to maintain the dwelling in a habitable condition from a governmental agency authorized to inspect for violations of building, housing or health codes; and
- (2) Fails to remedy or attempt in good faith to remedy the failure within the time prescribed in the written notice of that condition from the governmental agency.
- 5. Justice courts shall establish by local rule a mechanism by which tenants may deposit rent withheld under paragraph (d) of subsection 1 into an escrow account maintained or approved by the court. A tenant does not have a defense to an eviction under paragraph (d) of subsection 1 unless the tenant has deposited the withheld rent into an escrow account pursuant to this subsection. [A tenant may raise a defense to an eviction under paragraph (b) of subsection 1 without depositing the withheld rent into an escrow account pursuant to this subsection.]
  - Sec. 16. NRS 118A.370 is hereby amended to read as follows:
- 118A.370 If the landlord fails to deliver possession of the dwelling unit to the tenant as provided in this chapter, rent abates until possession is delivered as required, and the tenant may:
- 1. Terminate the rental agreement upon at least 5 days' written notice to the landlord and upon termination the landlord shall return all prepaid rent, *any* security *deposit* recoverable under this chapter, and any payment, deposit, fee or charge to secure the execution of the rental agreement; or
- 2. Demand performance of the rental agreement by the landlord and, if the tenant elects, maintain an action for possession of the dwelling unit against the landlord or any person wrongfully in possession and recover the actual damages sustained. If the landlord has exercised due diligence to evict the holdover tenant or remedy the condition keeping the new tenant from taking possession, the landlord is not liable for damages; or
- 3. Pursue any other remedies to which the tenant is entitled, including the right to recover any actual damages suffered.
  - Sec. 17. NRS 118A.390 is hereby amended to read as follows:
- 118A.390 1. If the landlord *abuses the right of access to the dwelling unit set forth in NRS 118A.330 or uses that right to harass the tenant*, unlawfully removes the tenant from the premises or excludes the tenant by blocking or attempting to block the tenant's entry upon the premises, willfully interrupts or causes or permits the interruption of any essential item or service required by the rental agreement or this chapter or otherwise recovers possession of the dwelling unit in violation of NRS 118A.480, the tenant may recover immediate possession pursuant to subsection 4, proceed under NRS 118A.380 or terminate the rental agreement and, in addition to any other remedy, recover the tenant's actual damages, receive an amount not greater than \$2,500 to be fixed by the court, or both.

- 2. In determining the amount, if any, to be awarded under subsection 1, the court shall consider:
  - (a) Whether the landlord acted in good faith;
  - (b) The course of conduct between the landlord and the tenant; and
  - (c) The degree of harm to the tenant caused by the landlord's conduct.
- 3. If the rental agreement is terminated pursuant to subsection 1, the landlord shall return all prepaid rent and *any* security *deposit* recoverable under this chapter.
- 4. Except as otherwise provided in subsection 5, the tenant may recover immediate possession of the premises from the landlord by filing a verified complaint for expedited relief for the unlawful removal or exclusion of the tenant from the premises, the willful interruption of any essential item or service or the recovery of possession of the dwelling unit in violation of NRS 118A.480.
  - 5. A verified complaint for expedited relief:
- (a) Must be filed with the court within 5 judicial days after the date of the unlawful act by the landlord, and the verified complaint must be dismissed if it is not timely filed. If the verified complaint for expedited relief is dismissed pursuant to this paragraph, the tenant retains the right to pursue all other available remedies against the landlord.
- (b) May not be filed with the court if an action for summary eviction or unlawful detainer is already pending between the landlord and tenant, but the tenant may seek similar relief before the judge presiding over the pending action.
- 6. The court shall conduct a hearing on the verified complaint for expedited relief not later than 3 judicial days after the filing of the verified complaint for expedited relief. Before or at the scheduled hearing, the tenant must provide proof that the landlord has been properly served with a copy of the verified complaint for expedited relief. Upon the hearing, if it is determined that the landlord has violated any of the provisions of subsection 1, the court may:
- (a) Order the landlord to restore to the tenant the premises or essential items or services, or both;
  - (b) Award damages pursuant to subsection 1; and
- (c) Enjoin the landlord from violating the provisions of subsection 1 and, if the circumstances so warrant, hold the landlord in contempt of court.
- 7. The payment of all costs and official fees must be deferred for any tenant who files a verified complaint for expedited relief. After any hearing and not later than final disposition of the filing or order, the court shall assess the costs and fees against the party that does not prevail, except that the court may reduce them or waive them, as justice may require.
  - Sec. 18. NRS 118A.400 is hereby amended to read as follows:
- 118A.400 1. If the dwelling unit or premises are damaged or destroyed by fire or casualty to an extent that enjoyment of the dwelling unit is

substantially impaired, the landlord may terminate the rental agreement and the tenant may, in addition to any other remedy:

- (a) Immediately vacate the premises and notify the landlord within 7 days thereafter of the tenant's intention to terminate the rental agreement, in which case the rental agreement terminates as of the date of vacating.
- (b) If continued occupancy is lawful, vacate any part of the dwelling unit rendered unusable by the fire or casualty, in which case the tenant's liability for rent is reduced in proportion to the diminution in the fair rental value of the dwelling unit or lack of use of the dwelling unit.
- 2. If the rental agreement is terminated, the landlord shall return all prepaid rent and *any* security *deposit* recoverable under this chapter. Accounting for rent in the event of termination or such continued occupancy shall be made as of the date the premises were vacated.
- 3. This section does not apply if it is determined that the fire or casualty were caused by deliberate or negligent acts of the tenant, a member of his or her household or other person on the premises with his or her consent.
  - Sec. 19. NRS 118A.440 is hereby amended to read as follows:
- 118A.440 If the tenant's failure to perform basic obligations under this chapter can be remedied by repair, replacement of a damaged item or cleaning, and the tenant fails to use his or her best efforts to comply within 14 days after written notice by the landlord specifying the breach and requesting that the tenant remedy it within that period of time or more promptly if conditions require in case of emergency, the landlord may enter the dwelling unit and cause the work to be done in a workmanlike manner and submit the itemized bill for the actual and reasonable cost, or the fair and reasonable value of the work. The itemized bill shall be paid [as rent] on the next date periodic rent is due, or if the rental agreement has terminated, may be submitted to the tenant for immediate payment or deducted from the security [...] deposit.
  - Sec. 20. NRS 118A.460 is hereby amended to read as follows:
- 118A.460 1. The landlord may dispose of personal property abandoned on the premises by a former tenant or left on the premises after eviction of the tenant without incurring civil or criminal liability in the following manner:
- (a) The landlord shall reasonably provide for the safe storage of the property for 30 days after the abandonment or eviction or the end of the rental period and may charge and collect the reasonable and actual costs of inventory, moving and storage before releasing the property to the tenant or his or her authorized representative rightfully claiming the property within that period. The landlord is liable to the tenant only for the landlord's negligent or wrongful acts in storing the property.
- (b) After the expiration of the 30-day period, the landlord may dispose of the property and recover his or her reasonable costs out of the property or the value thereof if the landlord has made reasonable efforts to locate the tenant, has notified the tenant in writing of his or her intention to dispose of the property and 14 days have elapsed since the notice was given to the tenant.

The notice must be mailed to the tenant at the tenant's present address, and if that address is unknown, then at the tenant's last known address.

- (c) Vehicles must be disposed of in the manner provided in chapter 487 of NRS for abandoned vehicles.
- 2. Any dispute relating to the amount of the costs claimed by the landlord pursuant to paragraph (a) of subsection 1 may be resolved using the procedure provided in subsection 7 of NRS 40.253.
- 3. During the 5-day period following the eviction or lockout of a tenant, the landlord shall provide the former tenant a reasonable opportunity to retrieve essential personal effects, including, without limitation, medication, baby formula, basic clothing and personal care items. Any dispute relating to the reasonableness of the landlord's actions pursuant to this section may be resolved using the procedure provided in subsection 9 of NRS 40.253.
  - Sec. 21. NRS 40.251 is hereby amended to read as follows:
- 40.251 1. A tenant of real property, a recreational vehicle or a mobile home for a term less than life is guilty of an unlawful detainer when having leased:
- (a) Real property, except as otherwise provided in this section, or a mobile home for an indefinite time, with monthly or other periodic rent reserved, the tenant continues in possession thereof, in person or by subtenant, without the landlord's consent after the expiration of a notice of:
  - (1) For tenancies from week to week, at least 7 days;
- (2) Except as otherwise provided in subsection 2, for all other periodic tenancies, at least 30 days; or
  - (3) For tenancies at will, at least 5 days.
- (b) A dwelling unit subject to the provisions of chapter 118A of NRS, the tenant continues in possession, in person or by subtenant, without the landlord's consent after expiration of:
- (1) The term of the rental agreement or its termination and, except as otherwise provided in subparagraph (2), the expiration of a notice of:
  - (I) At least 7 days for tenancies from week to week; and
- (II) Except as otherwise provided in subsection 2, at least 30 days for all other periodic tenancies; or
- (2) A notice of at least 5 days where the tenant has failed to perform the tenant's basic or contractual obligations under chapter 118A of NRS.
- (c) A mobile home lot subject to the provisions of chapter 118B of NRS, or a lot for a recreational vehicle in an area of a mobile home park other than an area designated as a recreational vehicle lot pursuant to the provisions of subsection 8 of NRS 40.215, the tenant continues in possession, in person or by subtenant, without the landlord's consent:
- (1) After notice has been given pursuant to NRS 118B.115, 118B.170 or 118B.190 and the period of the notice has expired; or
- (2) If the person is not a natural person and has received three notices for nonpayment of rent within a 12-month period, immediately upon failure to pay timely rent.

- (d) A recreational vehicle lot, the tenant continues in possession, in person or by subtenant, without the landlord's consent, after the expiration of a notice of at least 5 days.
- 2. Except as otherwise provided in this section, if a tenant with a periodic tenancy pursuant to paragraph (a) or (b) of subsection 1, other than a tenancy from week to week, is 60 years of age or older or has a physical or mental disability, the tenant may request to be allowed to continue in possession for an additional 30 days beyond the time specified in subsection 1 by submitting a written request for an extended period and providing proof of the tenant's age or disability. A landlord may not be required to allow a tenant to continue in possession if a shorter notice is provided pursuant to subparagraph (2) of paragraph (b) of subsection 1.
  - 3. Any notice provided pursuant to [paragraph]:
- (a) Paragraph (a) or (b) of subsection 1 must include a statement advising the tenant of the provisions of subsection 2.
- (b) Subparagraph (2) of paragraph (a) or sub-subparagraph (II) of subparagraph (1) of paragraph (b) of subsection 1 must include a statement advising the tenant of the provisions of section 7 of this act.
- 4. If a landlord rejects a request to allow a tenant to continue in possession for an additional 30 days pursuant to subsection 2, the tenant may petition the court for an order to continue in possession for the additional 30 days. If the tenant submits proof to the court that the tenant is entitled to request such an extension, the court may grant the petition and enter an order allowing the tenant to continue in possession for the additional 30 days. If the court denies the petition, the tenant must be allowed to continue in possession for 5 calendar days following the date of entry of the order denying the petition.
  - Sec. 22. NRS 40.253 is hereby amended to read as follows:
- 40.253 1. Except as otherwise provided in subsection [10, 11, 12, in addition to the remedy provided in NRS 40.2512 and 40.290 to 40.420, inclusive, when the tenant of any dwelling, apartment, mobile home, recreational vehicle or commercial premises with periodic rent reserved by the month or any shorter period is in default in payment of the rent, the landlord or the landlord's agent [1, unless otherwise agreed in writing,] may serve or have served a notice in writing, requiring in the alternative the payment of the rent or the surrender of the premises:
  - (a) At or before noon of the fifth full day following the day of service; or
- (b) If the landlord chooses not to proceed in the manner set forth in paragraph (a) and the rent is reserved by a period of 1 week or less and the tenancy has not continued for more than 45 days, at or before noon of the fourth full day following the day of service.
- → As used in this subsection, "day of service" means the day the landlord or the landlord's agent personally delivers the notice to the tenant. If personal service was not so delivered, the "day of service" means the day the notice is delivered, after posting and mailing pursuant to subsection 2, to the sheriff or constable for service if the request for service is made before noon. If the

request for service by the sheriff or constable is made after noon, the "day of service" shall be deemed to be the day next following the day that the request is made for service by the sheriff or constable.

- 2. A landlord or the landlord's agent who serves a notice to a tenant pursuant to paragraph (b) of subsection 1 shall attempt to deliver the notice in person in the manner set forth in paragraph (a) of subsection 1 of NRS 40.280. If the notice cannot be delivered in person, the landlord or the landlord's agent:
- (a) Shall post a copy of the notice in a conspicuous place on the premises and mail the notice by overnight mail; and
- (b) After the notice has been posted and mailed, may deliver the notice to the sheriff or constable for service in the manner set forth in subsection 1 of NRS 40.280. The sheriff or constable shall not accept the notice for service unless it is accompanied by written evidence, signed by the tenant when the tenant took possession of the premises, that the landlord or the landlord's agent informed the tenant of the provisions of this section which set forth the lawful procedures for eviction from a short-term tenancy. Upon acceptance, the sheriff or constable shall serve the notice within 48 hours after the request for service was made by the landlord or the landlord's agent.
  - 3. A notice served pursuant to subsection 1 or 2 must:
  - (a) Identify the court that has jurisdiction over the matter; and
  - (b) Advise the tenant:
- (1) Of the tenant's right to contest the matter by filing, within the time specified in subsection 1 for the payment of the rent or surrender of the premises, an affidavit with the court that has jurisdiction over the matter stating that the tenant has tendered payment or is not in default in the payment of the rent:
- (2) That if the court determines that the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant, directing the sheriff or constable of the county to remove the tenant within 24 hours after receipt of the order; and
- (3) That, pursuant to NRS 118A.390, a tenant may seek relief if a landlord abuses the right of access to a dwelling unit set forth in NRS 118A.330 or uses that right to harass the tenant, unlawfully removes the tenant from the premises or excludes the tenant by blocking or attempting to block the tenant's entry upon the premises or willfully interrupts or causes or permits the interruption of an essential service required by the rental agreement or chapter 118A of NRS.
- 4. If the tenant files such an affidavit at or before the time stated in the notice, the landlord or the landlord's agent, after receipt of a file-stamped copy of the affidavit which was filed, shall not provide for the nonadmittance of the tenant to the premises by locking or otherwise.
  - 5. Upon noncompliance with the notice:
- (a) The landlord or the landlord's agent may apply by affidavit of complaint for eviction to the justice court of the township in which the dwelling,

apartment, mobile home, recreational vehicle or commercial premises are located or to the district court of the county in which the dwelling, apartment, mobile home, recreational vehicle or commercial premises are located, whichever has jurisdiction over the matter. The court may thereupon issue an order directing the sheriff or constable of the county to remove the tenant within 24 hours after receipt of the order. The affidavit must state or contain:

- (1) The date the tenancy commenced.
- (2) The amount of periodic rent reserved.
- (3) The amounts of any cleaning, security or rent deposits paid in advance, in excess of the first month's rent, by the tenant.
  - (4) The date the rental payments became delinquent.
- (5) The length of time the tenant has remained in possession without paying rent.
  - (6) The amount of rent claimed due and delinquent.
- (7) A statement that the written notice was served on the tenant in accordance with NRS 40.280.
  - (8) A copy of the written notice served on the tenant.
  - (9) A copy of the signed written rental agreement, if any.
- (b) Except when the tenant has timely filed the affidavit described in subsection 3 and a file-stamped copy of it has been received by the landlord or the landlord's agent, and except when the landlord is prohibited pursuant to NRS 118A.480, the landlord or the landlord's agent may, in a peaceable manner, provide for the nonadmittance of the tenant to the premises by locking or otherwise.
- 6. Upon the filing by the tenant of the affidavit permitted in subsection 3, regardless of the information contained in the affidavit, and the filing by the landlord of the affidavit permitted by subsection 5, the justice court or the district court shall hold a hearing, after service of notice of the hearing upon the parties, to determine the truthfulness and sufficiency of any affidavit or notice provided for in this section. If the court determines that there is no legal defense as to the alleged unlawful detainer and the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant. If the court determines that there is a legal defense as to the alleged unlawful detainer, the court shall refuse to grant either party any relief, and, except as otherwise provided in this subsection, shall require that any further proceedings be conducted pursuant to NRS 40.290 to 40.420, inclusive. The issuance of a summary order for removal of the tenant does not preclude an action by the tenant for any damages or other relief to which the tenant may be entitled. If the alleged unlawful detainer was based upon subsection 5 of NRS 40.2514, the refusal by the court to grant relief does not preclude the landlord thereafter from pursuing an action for unlawful detainer in accordance with NRS 40.251.
- 7. The tenant may, upon payment of the appropriate fees relating to the filing and service of a motion, file a motion with the court, on a form provided by the clerk of the court, to dispute the amount of the costs, if any, claimed by

the landlord pursuant to NRS 118A.460 or 118C.230 for the inventory, moving and storage of personal property left on the premises. The motion must be filed within 20 days after the summary order for removal of the tenant or the abandonment of the premises by the tenant, or within 20 days after:

- (a) The tenant has vacated or been removed from the premises; and
- (b) A copy of those charges has been requested by or provided to the tenant, → whichever is later.
- 8. Upon the filing of a motion pursuant to subsection 7, the court shall schedule a hearing on the motion. The hearing must be held within 10 days after the filing of the motion. The court shall affix the date of the hearing to the motion and order a copy served upon the landlord by the sheriff, constable or other process server. At the hearing, the court may:
- (a) Determine the costs, if any, claimed by the landlord pursuant to NRS 118A.460 or 118C.230 and any accumulating daily costs; and
- (b) Order the release of the tenant's property upon the payment of the charges determined to be due or if no charges are determined to be due.
- 9. The tenant may, upon payment of the appropriate fees relating to the filing and service of a motion, file a motion with the court on a form provided by the clerk of the court, to dispute the reasonableness of the actions of a landlord pursuant to subsection 3 of NRS 118A.460. The motion must be filed within 5 days after the tenant has vacated or been removed from the premises. Upon the filing of a motion pursuant to this subsection, the court shall schedule a hearing on the motion. The hearing must be held within [3] 5 days after the filing of the motion. The court shall affix the date of the hearing to the motion and order a copy served upon the landlord by the sheriff, constable or other process server. At the hearing, the court may:
- (a) Order the landlord to allow the retrieval of the tenant's essential personal effects at a date and time and for a period necessary for that retrieval, as determined by the court; and
  - (b) Award damages in an amount not greater than \$2,500.
- 10. <u>In determining the amount of damages, if any, to be awarded under paragraph (b) of subsection 9, the court shall consider:</u>
- (a) Whether the landlord acted in good faith;
- (b) The course of conduct between the landlord and the tenant; and
- (c) The degree of harm to the tenant caused by the landlord's conduct.
- -10. any amount that does not constitute rent.
- [11.] 12. This section does not apply to the tenant of a mobile home lot in a mobile home park or to the tenant of a recreational vehicle lot in an area of

a mobile home park in this State other than an area designated as a recreational vehicle lot pursuant to the provisions of subsection 8 of NRS 40.215.

- Sec. 23. NRS 118A.240 is hereby repealed.
- Sec. 24. This act becomes effective on July 1, 2019.

#### TEXT OF REPEALED SECTION

118A.240 "Security" defined.

- 1. Any payment, deposit, fee or charge that is to be used for any of the following purposes is "security" and is governed by the provisions of this section and NRS 118A.242 and 118A.244:
  - (a) Remedying any default of the tenant in the payments of rent.
- (b) Repairing damages to the premises other than normal wear caused by the tenant.
  - (c) Cleaning the dwelling unit.
  - 2. "Security" does not include:
- (a) Any payment, deposit or fee to secure an option to purchase the premises; or
- (b) Any payment to a corporation qualified under the laws of this State as a surety, guarantor or obligator for a premium paid to secure a surety bond or a similar bond, guarantee or insurance coverage for purposes of securing a tenant's obligations to a landlord as described in NRS 118A.242.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 612 makes six changes to Senate Bill No. 256. The amendment deletes sections 1 and 2, which prohibit discrimination for housing on the basis the income is derived from governmental benefits and refusal to rent to an applicant with prior history of an inability to pay rent. It also clarifies the definition of "security deposit," "rent" and "notice fees." It amends section 7 to prohibit a tenant from remedying a deficiency where a licensed professional would be required; increases from 3 days to 21 days the time requiring a landlord to conduct the final inspection after the tenant vacates the premises; deletes provisions requiring the landlord to return the full amount of the security deposit or provide an itemized statement of each deficiency and the amount to be withheld, and provides that the provisions in section 7 do not preclude a landlord from making deductions from a tenant's security deposit for deficiencies that were not reasonably observable during an initial or final inspection. It amends section 10 to remove the provisions authorizing a landlord to charge a reasonable late fee but prohibits imposition of such fee until three days after the rent is due.

Additionally, the amendment provides that a payment from the tenant must first be applied to outstanding rent unless any lease agreement contains contrary provisions or the tenant requests otherwise. It increases from 14 days to 21 days when the security deposit or any remaining portion must be returned to the tenant after the termination of tenancy; amends section 22 to increase from three days to five days the time when a hearing must be held after the tenant files a motion with a court to dispute the reasonableness of the actions of a landlord following an eviction. Additionally, the amendment provides criteria for the court to consider in determining the amount to be awarded to a tenant who files a motion against the landlord.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 289.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 597.

SUMMARY—[Revises provisions relating to the licensing of physicians.]

Makes an appropriation for health services in underserved areas.

(BDR [54-610)] S-610)

AN ACT [relating to professions; establishing procedures for issuing a license by endorsement to practice medicine to certain persons; revising procedures for verifying certificates and licenses under certain circumstances; removing prior disciplinary actions and malpractice claims as disqualifying occurrences for certain license applicants; prohibiting the Board of Medical Examiners from imposing additional licensing requirements on an applicant; revising the grounds for denying a license; requiring an annual report to the Legislature on the Board's licensing activities;] making an appropriation [;] to obtain matching funds for the purpose of encouraging certain medical practitioners to practice in underserved areas; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Examiners before practicing medicine in this State. (NRS 630.160) Section 1 of this bill authorizes certain qualified physicians to obtain an expedited license by endorsement to practice in this State if the physician: (1) holds a valid and unrestricted license to practice in the District of Columbia or another state or territory of the United States; (2) is an active member or veteran of, the spouse of an active member or veteran of, or the surviving spouse of a veteran of, the Armed Forces of the United States; and (3) meets certain other requirements. Section 2 of this bill permits an applicant to submit copies of certificates and licenses together with an affidavit explaining why the original documents are not available.

Section 3 of this bill removes prior disciplinary actions and malpractice claims as prohibitions to receiving a license by endorsement, provided that the applicant is certified in a recognized specialty and licensed in another jurisdiction. Section 3 also prohibits the Board from imposing additional licensure requirements on applicants for a license by endorsement. Additionally, section 3 prohibits the Board from denying a license by endorsement because the physician practices a specialty for which he or she does not see patients.

—Section 4 of this bill requires that, on or before January 31 of each year, the Executive Director of the Board shall submit a report to the Legislature on certain licensing activity by the Board during the immediately preceding year. Section 5 of this bill limits the fee charged to an applicant for licensure by endorsement under section 1 to one half of the fee for the initial issuance of a license.

—Section 6 of this bill makes an appropriation to the Office of Finance for allocation to the Nevada Health Service Corps to obtain matching federal

funds.] Under existing law, the Nevada Health Service Corps may be established by the University of Nevada School of Medicine to encourage certain medical and dental practitioners to practice in underserved areas of this State. (NRS 396.900) Section 1 of this bill makes an appropriation to the Nevada Health Service Corps for the purpose of obtaining matching federal funds.

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

Delete existing sections 1 through 8 of this bill and replace with the following new sections 1 and 2:

Section 1. 1. There is hereby appropriated from the State General Fund to the Office of Finance for allocation to the Nevada Health Service Corps, established pursuant to NRS 396.900, for the purpose of obtaining matching federal funds the following sums:

For the Fiscal Year 2019-2020. \$250,000 For the Fiscal Year 2020-2021. \$250,000

2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2020, and September 17, 2021, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, respectively.

### Sec. 2. This act becomes effective on July 1, 2019.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 597 makes one change to Senate Bill No. 289. The amendment deletes all sections of the bill but retains section 6, which appropriates a total of \$500,000, \$250,000 for each year of the biennium, from the State General Fund to the Office of Finance for allocation to the Nevada Health Service Corps for the purpose of obtaining matching federal funds.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 300.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 324.

SUMMARY—<u>[Requires electric utilities to share a portion of their earnings with customers under certain circumstances.]</u> Revises provisions governing the rates charged by electric utilities. (BDR 58-302)

AN ACT relating to electric utilities; <del>[requiring electric utilities to share a portion of their earnings with customers under certain circumstances;] authorizing an electric utility to file an application for the establishment of an alternative rate-making plan; requiring the Public Utilities Commission of Nevada to adopt regulations governing the filing of such an application; revising the dates for the filing of general rate applications by electric utilities; and providing other matters properly relating thereto.</del>

Legislative Counsel's Digest:

Section [11] 16 of this bill requires the Public Utilities Commission of Nevada to adopt regulations frequiring an electric utility to share its earnings with its customers when its annual earnings exceed the rate of return authorized by the Commission in the most recent general rate case proceeding for the electric utility. The regulations must specify the manner in which such earnings must be shared, but the amount that must be shared must be not less than 50 percent of the amount by which the earnings exceed the authorized rate of return.] establishing procedures for an electric utility to apply to the Commission for the approval of an alternative rate-making plan, which establishes the alternative rate-making mechanisms that the utility is authorized to use to set rates during the time period of the plan. The regulations adopted by the Commission must: (1) establish the alternative rate-making mechanisms that may be included in a plan and any limitations on such alternative rate-making mechanisms; (2) provide the information that must be included in an alternative rate-making plan and an application for the approval of such a plan; (3) specify the circumstances under which an electric utility for which an alternative rate-making plan has been approved must file a general rate application; (4) provide a process to educate customers of an electric utility regarding alternative rate-making mechanisms; and (5) establish criteria for the evaluation of an alternative rate-making plan.

Section 17 of this bill authorizes an electric utility to submit an application to establish an alternative rate-making plan pursuant to the regulations adopted by the Commission, establishes time limits for the Commission to approve or deny such an application and requires the Commission to conduct a consumer session before taking action on such an application. Section 17 authorizes the Commission to extend the time for an electric utility to submit its next general rate application while an application for the approval of an alternative rate-making plan is pending before the Commission. Section 17 requires an application for the approval of an alternative rate-making plan to include a plan to educate the customers of the electric utility regarding the alternative rate-making mechanisms in the plan proposed by the utility. Section 17 provides that the Commission may only approve an application for the approval of an alternative rate-making plan if the Commission determines that the plan meets certain requirements. Section 17 also authorizes an alternative

rate-making plan to include certain provisions, including a mechanism for earnings sharing with the customers of the utility, a provision authorizing the filing of a complaint against the utility and a term or condition waiving the requirement for the utility to file a general rate application every 36 months. Section 19 of this bill makes a conforming change.

Section 20 of this bill revises the dates by which electric utilities must file general rate applications.

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

- Section 1. [Chapter 704 of NRS is hereby amended by adding thereto a
- 1. The Commission shall adopt regulations requiring earnings between an electric utility and its customers to be shared in a manner set forth in such regulations when the electric utility earns in excess of the rate of return authorized by the Commission in the most recent general rate case proceeding for the electric utility.
- 2. The amount of the earnings which must be shared with the customers of the electric utility must be not less than 50 percent of the amount by which actual earnings exceed the rate of return authorized by the Commission.
- 3. The method of calculating the earnings of the electric utility must be approved by the Commission. The calculation of earnings must be:
- (a) Submitted by the electric utility in an annual report filed with the Commission; and
- (b) Based on results for the calendar year preceding the filing.
- 4. As used in this section, "electric utility" has the meaning ascribed to it in NRS 704.187.] (Deleted by amendment.)
- Sec. 2. INRS 704.061 is hereby amended to read as follows:
- 704.061—As used in NRS 704.061 to 704.110, inclusive, and section 1 of this act, unless the context otherwise requires, the words and terms defined in NRS 704.062, 704.065 and 704.066 have the meanings ascribed to them in those sections.] (Deleted by amendment.)
- Sec. 3. This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
- 2. On January 1, 2020, for all other purposes.] (Deleted by amendment.)
- Sec. 4. Chapter 704 of NRS is hereby amended by adding thereto the provisions set forth as sections 5 to 18, inclusive, of this act.
- Sec. 5. <u>As used in sections 5 to 18, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 6 to 15, inclusive, of this act have the meanings ascribed to them in those sections.</u>
- Sec. 6. "Alternative rate-making mechanism" means a rate-making mechanism in an alternative rate-making plan and includes, without limitation, performance-based rates, formula rates, multi-year rate plans, subscription pricing, an earnings-sharing mechanism, decoupling mechanism

- or any other rate-making mechanism authorized by the Commission by regulation.
- Sec. 7. "Alternative rate-making plan" means a plan that would implement one or more alternative rate-making mechanisms to be used in addition to or in place of the rate-making process established by NRS 704.110.
- Sec. 8. "Decoupling mechanism" means a mechanism that disassociates an electric utility's financial performance and results from the sales of electricity by the electric utility.
- Sec. 9. "Earnings-sharing mechanism" means a mechanism designed by the Commission that requires an electric utility to share earnings with its fully bundled customers if such earnings are above a specific percentage of return on equity.
  - Sec. 10. "Electric utility" has the meaning ascribed to it in NRS 704.187.
- Sec. 11. <u>"Formula rates" means rates that are periodically adjusted based on a predetermined formula approved by the Commission without the need for an electric utility to file a general rate application pursuant to NRS 704.110.</u>
- Sec. 12. <u>"Fully bundled customer" means a customer of an electric utility who receives energy, transmission, distribution and ancillary services from the electric utility.</u>
- Sec. 13. "Multi-year rate plan" means a rate mechanism under which the Commission sets rates and revenue requirements for a multi-year plan period of more than 36 months, including, without limitation, a plan which authorizes periodic changes in rates, including, without limitation, adjustments to accounts for inflation or capital investments, without a general rate application.
- Sec. 14. <u>"Performance-based rates" means rates that are set or adjusted based on the performance of an electric utility as determined by such performance metrics as the Commission may establish.</u>
- Sec. 15. "Subscription pricing" means a rate offering to the customers of an electric utility that is based upon a set, subscription-based fee and may include other conditions for the subscription-based rate.
- Sec. 16. <u>The Commission shall adopt regulations to establish procedures</u> for an electric utility to apply to the Commission for the approval of an alternative rate-making plan. The regulations must:
- 1. Establish the alternative rate-making mechanisms that may be included in such a plan and any limitations on such alternative rate-making mechanisms as the Commission deems appropriate, including, without limitation, any restrictions on the types of alternative rate-making mechanisms that may be used in concert within the same alternative rate-making plan.
- 2. Provide the information that must be included in an alternative rate-making plan and an application submitted pursuant to the regulations adopted pursuant to this section.
- 3. Specify the circumstances under which an electric utility for which the Commission has approved an alternative rate-making plan is required to file

- a general rate application pursuant to NRS 704.110 including, without limitation, if the alternative rate-making plan ceases to meet the criteria established by the Commission pursuant to subsection 5.
- 4. Provide a process to educate customers of an electric utility regarding the available alternative rate-making mechanisms that may be included in an alternative rate-making plan.
- 5. Establish criteria for the evaluation of an alternative rate-making plan which may include, without limitation, whether the plan:
- (a) Aligns an economically viable utility model with state public policy goals.
- (b) Provides for just and reasonable rates that are comparable to rates established pursuant to NRS 704.110.
- (c) Enables the delivery of electric service and options for services and pricing that customers value including, without limitation, the development and the use of renewable resources by customers that prioritize such resources above other factors, including price.
- (d) Fosters statewide improvements to the economic and operational efficiency of the electrical grid.
- (e) Furthers the public interest including, without limitation, the promotion of safe, economic, efficient and reliable electric service to all customers of the electric utility.
- (f) Enhances the resilience and security of the electrical grid while addressing concerns regarding customer privacy.
- (g) Ensures that customers of an electric utility benefit from lower regulatory administrative costs where appropriate.
- (h) Facilitates the research and development of innovative electric utility services and options to benefit customers.
- (i) Balances the interests of customers and shareholders by providing for services that customers want while preserving reasonable shareholder value.
- 6. The Commission is not required to accept applications to establish an alternative rate-making plan if the Commission determines, after a reasonable investigation, that the use of alternative rate-making plan is not consistent with the criteria established by the Commission pursuant to subsection 5.
- Sec. 17. 1. Except as otherwise provided in subsection 6 of section 16 of this act, and in accordance with the regulations adopted by the Commission pursuant to section 16 of this act, an electric utility may apply to the Commission to establish an alternative rate-making plan which sets forth the alternative rate-making mechanisms to be used to establish rates during the time period covered by the plan. The Commission shall approve, with or without modifications, or deny the application not later than 210 days after the Commission receives a copy of the application unless the Commission, upon good cause, extends by not more than 90 days the time to act upon the application. If the Commission fails to act upon an application within the time provided by this subsection, the application shall be deemed to be denied.

- 2. Upon the request of an electric utility, the Commission may extend the time by which the electric utility is required to file its next general rate application pursuant to subsection 3 of NRS 704.110 while the application submitted pursuant to subsection 1 is pending.
- 3. The Commission shall conduct at least one consumer session pursuant to NRS 704.069 to solicit comments from the public before taking action on an application submitted pursuant to subsection 1.
- 4. The Commission shall not approve an application submitted pursuant to subsection 1 unless the Commission determines that the plan:
- (a) Is in the public interest;
- (b) Results in just and reasonable rates for the fully bundled customers of the electric utility;
- (c) Adequately protects the interests of electric consumers;
- (d) Satisfies the criteria established by the Commission pursuant to subsection 5 of section 16 of this act;
- (e) Specifies the time period to which the plan applies; and
- (f) Includes a plan for educating the customers of the electric utility regarding the alternative rate-making mechanisms included in the plan.
- 5. An alternative rate-making plan may include, without limitation:
- (a) An earnings-sharing mechanism that balances the interests of retail customers that purchase electricity for consumption in this State and the shareholders of the electric utility.
- (b) A provision authorizing any customer or the Commission to initiate a complaint or investigation pursuant to NRS 704.120.
- (c) A term or condition waiving the requirement that the electric utility file a general rate application every 36 months pursuant to subsection 3 of NRS 704.110.
- (d) Any other term or condition proposed by an electric utility or any party participating in the proceeding or that the Commission finds is reasonable and serves the public interest.
- Sec. 18. <u>The provisions of sections 5 to 18, inclusive, of this act must not be construed to limit the existing rate-making authority of the Commission.</u>
  - Sec. 19. NRS 704.100 is hereby amended to read as follows:
- 704.100 1. Except as otherwise provided in NRS 704.075 and 704.68861 to 704.68887, inclusive, or as may otherwise be provided by the Commission pursuant to NRS 704.095. [or] 704.097 [+] or section 17 of this act:
- (a) A public utility shall not make changes in any schedule, unless the public utility:
- (1) Files with the Commission an application to make the proposed changes and the Commission approves the proposed changes pursuant to NRS 704.110; or
- (2) Files the proposed changes with the Commission using a letter of advice in accordance with the provisions of paragraph (f) or (g).

- (b) A public utility shall adjust its rates on a quarterly basis between annual rate adjustment applications pursuant to subsection 8 of NRS 704.110 based on changes in the public utility's recorded costs of natural gas purchased for resale.
- (c) An electric utility shall, between annual deferred energy accounting adjustment applications filed pursuant to NRS 704.187, adjust its rates on a quarterly basis pursuant to subsection 10 of NRS 704.110.
- (d) A public utility shall post copies of all proposed schedules and all new or amended schedules in the same offices and in substantially the same form, manner and places as required by NRS 704.070 for the posting of copies of schedules that are currently in force.
- (e) A public utility may not set forth as justification for a rate increase any items of expense or rate base that previously have been considered and disallowed by the Commission, unless those items are clearly identified in the application and new facts or considerations of policy for each item are advanced in the application to justify a reversal of the prior decision of the Commission.
- (f) Except as otherwise provided in paragraph (g), if the proposed change in any schedule does not change any rate or will result in an increase in annual gross operating revenue in an amount that does not exceed \$15,000:
- (1) The public utility may file the proposed change with the Commission using a letter of advice in lieu of filing an application; and
- (2) The Commission shall determine whether it should dispense with a hearing regarding the proposed change.
- → A letter of advice filed pursuant to this paragraph must include a certification by the attorney for the public utility or an affidavit by an authorized representative of the public utility that to the best of the signatory's knowledge, information and belief, formed after a reasonable inquiry, the proposed change in schedule does not change any rate or result in an increase in the annual gross operating revenue of the public utility in an amount that exceeds \$15,000.
- (g) If the applicant is a small-scale provider of last resort and the proposed change in any schedule will result in an increase in annual gross operating revenue in an amount that does not exceed \$50,000 or 10 percent of the applicant's annual gross operating revenue, whichever is less:
- (1) The small-scale provider of last resort may file the proposed change with the Commission using a letter of advice in lieu of filing an application if the small-scale provider of last resort:
- (I) Includes with the letter of advice a certification by the attorney for the small-scale provider of last resort or an affidavit by an authorized representative of the small-scale provider of last resort that to the best of the signatory's knowledge, information and belief, formed after a reasonable inquiry, the proposed change in schedule does not change any rate or result in an increase in the annual gross operating revenue of the small-scale provider

of last resort in an amount that exceeds \$50,000 or 10 percent, whichever is less:

- (II) Demonstrates that the proposed change in schedule is required by or directly related to a regulation or order of the Federal Communications Commission; and
- (III) Except as otherwise provided in subsection 2, files the letter of advice not later than 5 years after the Commission has issued a final order on a general rate application filed by the applicant in accordance with subsection 3 of NRS 704.110; and
- (2) The Commission shall determine whether it should dispense with a hearing regarding the proposed change.
- → Not later than 10 business days after the filing of a letter of advice pursuant to subparagraph (1), the Regulatory Operations Staff of the Commission or any other interested party may file with the Commission a request that the Commission order an applicant to file a general rate application in accordance with subsection 3 of NRS 704.110. The Commission may hold a hearing to consider such a request.
- (h) In making the determination pursuant to paragraph (f) or (g), the Commission shall first consider all timely written protests, any presentation that the Regulatory Operations Staff of the Commission may desire to present, the application of the public utility and any other matters deemed relevant by the Commission.
- 2. An applicant that is a small-scale provider of last resort may submit to the Commission a written request for a waiver of the 5-year period specified in sub-subparagraph (III) of subparagraph (1) of paragraph (g) of subsection 1. The Commission shall, not later than 90 days after receipt of such a request, issue an order approving or denying the request. The Commission may approve the request if the applicant provides proof satisfactory to the Commission that the applicant is not earning more than the rate of return authorized by the Commission and that it is in the public interest for the Commission to grant the request for a waiver. The Commission shall not approve a request for a waiver if the request is submitted later than 7 years after the issuance by the Commission of a final order on a general rate application filed by the applicant in accordance with subsection 3 of NRS 704.110. If the Commission approves a request for a waiver submitted pursuant to this subsection, the applicant shall file the letter of advice pursuant to subparagraph (1) of paragraph (g) of subsection 1 not earlier than 120 days after the date on which the applicant submitted the request for a waiver pursuant to this subsection, unless the order issued by the Commission approving the request for a waiver specifies a different period for the filing of the letter of advice.
- 3. As used in this section, "electric utility" has the meaning ascribed to it in NRS 704.187.
  - Sec. 20. NRS 704.110 is hereby amended to read as follows:

- 704.110 Except as otherwise provided in NRS 704.075 and 704.68861 to 704.68887, inclusive, or as may otherwise be provided by the Commission pursuant to NRS 704.095 or 704.097:
- 1. If a public utility files with the Commission an application to make changes in any schedule, including, without limitation, changes that will result in a discontinuance, modification or restriction of service, the Commission shall investigate the propriety of the proposed changes to determine whether to approve or disapprove the proposed changes. If an electric utility files such an application and the application is a general rate application or an annual deferred energy accounting adjustment application, the Consumer's Advocate shall be deemed a party of record.
- 2. Except as otherwise provided in subsection 3, if a public utility files with the Commission an application to make changes in any schedule, the Commission shall, not later than 210 days after the date on which the application is filed, issue a written order approving or disapproving, in whole or in part, the proposed changes.
- 3. If a public utility files with the Commission a general rate application, the public utility shall submit with its application a statement showing the recorded results of revenues, expenses, investments and costs of capital for its most recent 12 months for which data were available when the application was prepared. Except as otherwise provided in subsection 4, in determining whether to approve or disapprove any increased rates, the Commission shall consider evidence in support of the increased rates based upon actual recorded results of operations for the same 12 months, adjusted for increased revenues, any increased investment in facilities, increased expenses for depreciation, certain other operating expenses as approved by the Commission and changes in the costs of securities which are known and are measurable with reasonable accuracy at the time of filing and which will become effective within 6 months after the last month of those 12 months, but the public utility shall not place into effect any increased rates until the changes have been experienced and certified by the public utility to the Commission and the Commission has approved the increased rates. The Commission shall also consider evidence supporting expenses for depreciation, calculated on an annual basis, applicable to major components of the public utility's plant placed into service during the recorded test period or the period for certification as set forth in the application. Adjustments to revenues, operating expenses and costs of securities must be calculated on an annual basis. Within 90 days after the date on which the certification required by this subsection is filed with the Commission, or within the period set forth in subsection 2, whichever time is longer, the Commission shall make such order in reference to the increased rates as is required by this chapter. The following public utilities shall each file a general rate application pursuant to this subsection based on the following schedule:
- (a) An electric utility that primarily serves less densely populated counties shall file a general rate application  $\frac{1}{2}$ :

- (1) Not later than 5 p.m. on or before the first Monday in June [2010,] 2019; and [at least once]
- (2) Once every 36 months thereafter  $\vdash$  or on a date specified in an alternative rate-making plan approved by the Commission pursuant to section 17 of this act.
- (b) An electric utility that primarily serves densely populated counties shall file a general rate application  $\frac{\text{[not]}}{:}$
- \_\_\_\_(1) Not later than 5 p.m. on or before the first Monday in June [2011,] 2020; and [at least once]
- (2) Once every 36 months thereafter [.] or on a date specified in an alternative rate-making plan approved by the Commission pursuant to section 17 of this act.
- (c) A public utility that furnishes water for municipal, industrial or domestic purposes or services for the disposal of sewage, or both, which had an annual gross operating revenue of \$2,000,000 or more for at least 1 year during the immediately preceding 3 years and which had not filed a general rate application with the Commission on or after July 1, 2005, shall file a general rate application on or before June 30, 2008, and at least once every 36 months thereafter unless waived by the Commission pursuant to standards adopted by regulation of the Commission. If a public utility furnishes both water and services for the disposal of sewage, its annual gross operating revenue for each service must be considered separately for determining whether the public utility meets the requirements of this paragraph for either service.
- (d) A public utility that furnishes water for municipal, industrial or domestic purposes or services for the disposal of sewage, or both, which had an annual gross operating revenue of \$2,000,000 or more for at least 1 year during the immediately preceding 3 years and which had filed a general rate application with the Commission on or after July 1, 2005, shall file a general rate application on or before June 30, 2009, and at least once every 36 months thereafter unless waived by the Commission pursuant to standards adopted by regulation of the Commission. If a public utility furnishes both water and services for the disposal of sewage, its annual gross operating revenue for each service must be considered separately for determining whether the public utility meets the requirements of this paragraph for either service.
- → The Commission shall adopt regulations setting forth standards for waivers pursuant to paragraphs (c) and (d) and for including the costs incurred by the public utility in preparing and presenting the general rate application before the effective date of any change in rates.
- 4. In addition to submitting the statement required pursuant to subsection 3, a public utility may submit with its general rate application a statement showing the effects, on an annualized basis, of all expected changes in circumstances. If such a statement is filed, it must include all increases and decreases in revenue and expenses which may occur within 210 days after the date on which its general rate application is filed with the Commission if such expected changes in circumstances are reasonably known and are measurable

with reasonable accuracy. If a public utility submits such a statement, the public utility has the burden of proving that the expected changes in circumstances set forth in the statement are reasonably known and are measurable with reasonable accuracy. The Commission shall consider expected changes in circumstances to be reasonably known and measurable with reasonable accuracy if the expected changes in circumstances consist of specific and identifiable events or programs rather than general trends, patterns or developments, have an objectively high probability of occurring to the degree, in the amount and at the time expected, are primarily measurable by recorded or verifiable revenues and expenses and are easily and objectively calculated, with the calculation of the expected changes relying only secondarily on estimates, forecasts, projections or budgets. If the Commission determines that the public utility has met its burden of proof:

- (a) The Commission shall consider the statement submitted pursuant to this subsection and evidence relevant to the statement, including all reasonable projected or forecasted offsets in revenue and expenses that are directly attributable to or associated with the expected changes in circumstances under consideration, in addition to the statement required pursuant to subsection 3 as evidence in establishing just and reasonable rates for the public utility; and
- (b) The public utility is not required to file with the Commission the certification that would otherwise be required pursuant to subsection 3.
- 5. If a public utility files with the Commission an application to make changes in any schedule and the Commission does not issue a final written order regarding the proposed changes within the time required by this section, the proposed changes shall be deemed to be approved by the Commission.
- 6. If a public utility files with the Commission a general rate application, the public utility shall not file with the Commission another general rate application until all pending general rate applications filed by that public utility have been decided by the Commission unless, after application and hearing, the Commission determines that a substantial financial emergency would exist if the public utility is not permitted to file another general rate application sooner. The provisions of this subsection do not prohibit the public utility from filing with the Commission, while a general rate application is pending, an application to recover the increased cost of purchased fuel, purchased power, or natural gas purchased for resale pursuant to subsection 7, a quarterly rate adjustment pursuant to subsection 8 or 10, any information relating to deferred accounting requirements pursuant to NRS 704.185 or an annual deferred energy accounting adjustment application pursuant to NRS 704.187, if the public utility is otherwise authorized to so file by those provisions.
- 7. A public utility may file an application to recover the increased cost of purchased fuel, purchased power, or natural gas purchased for resale once every 30 days. The provisions of this subsection do not apply to:
- (a) An electric utility which is required to adjust its rates on a quarterly basis pursuant to subsection 10; or

- (b) A public utility which purchases natural gas for resale and which adjusts its rates on a quarterly basis pursuant to subsection 8.
- 8. A public utility which purchases natural gas for resale must request approval from the Commission to adjust its rates on a quarterly basis between annual rate adjustment applications based on changes in the public utility's recorded costs of natural gas purchased for resale. A public utility which purchases natural gas for resale and which adjusts its rates on a quarterly basis may request approval from the Commission to make quarterly adjustments to its deferred energy accounting adjustment. The Commission shall approve or deny such a request not later than 120 days after the application is filed with the Commission. The Commission may approve the request if the Commission finds that approval of the request is in the public interest. If the Commission approves a request to make quarterly adjustments to the deferred energy accounting adjustment of a public utility pursuant to this subsection, any quarterly adjustment to the deferred energy accounting adjustment must not exceed 2.5 cents per therm of natural gas. If the balance of the public utility's deferred account varies by less than 5 percent from the public utility's annual recorded costs of natural gas which are used to calculate quarterly rate adjustments, the deferred energy accounting adjustment must be set to zero cents per therm of natural gas.
- 9. If the Commission approves a request to make any rate adjustments on a quarterly basis pursuant to subsection 8:
- (a) The public utility shall file written notice with the Commission before the public utility makes a quarterly rate adjustment. A quarterly rate adjustment is not subject to the requirements for notice and a hearing pursuant to NRS 703.320 or the requirements for a consumer session pursuant to subsection 1 of NRS 704.069.
- (b) The public utility shall provide written notice of each quarterly rate adjustment to its customers by including the written notice with a customer's regular monthly bill. The public utility shall begin providing such written notice to its customers not later than 30 days after the date on which the public utility files its written notice with the Commission pursuant to paragraph (a). The written notice that is included with a customer's regular monthly bill:
- (1) Must be printed separately on fluorescent-colored paper and must not be attached to the pages of the bill; and
  - (2) Must include the following:
- (I) The total amount of the increase or decrease in the public utility's revenues from the rate adjustment, stated in dollars and as a percentage;
- (II) The amount of the monthly increase or decrease in charges for each class of customer or class of service, stated in dollars and as a percentage;
- (III) A statement that customers may send written comments or protests regarding the rate adjustment to the Commission;
- (IV) A statement that the transactions and recorded costs of natural gas which are the basis for any quarterly rate adjustment will be reviewed for

reasonableness and prudence in the next proceeding held by the Commission to review the annual rate adjustment application pursuant to paragraph (d); and

- (V) Any other information required by the Commission.
- (c) The public utility shall file an annual rate adjustment application with the Commission. The annual rate adjustment application is subject to the requirements for notice and a hearing pursuant to NRS 703.320 and the requirements for a consumer session pursuant to subsection 1 of NRS 704.069.
- (d) The proceeding regarding the annual rate adjustment application must include a review of each quarterly rate adjustment and the transactions and recorded costs of natural gas included in each quarterly filing and the annual rate adjustment application. There is no presumption of reasonableness or prudence for any quarterly rate adjustment or for any transactions or recorded costs of natural gas included in any quarterly rate adjustment or the annual rate adjustment application, and the public utility has the burden of proving reasonableness and prudence in the proceeding.
- (e) The Commission shall not allow the public utility to recover any recorded costs of natural gas which were the result of any practice or transaction that was unreasonable or was undertaken, managed or performed imprudently by the public utility, and the Commission shall order the public utility to adjust its rates if the Commission determines that any recorded costs of natural gas included in any quarterly rate adjustment or the annual rate adjustment application were not reasonable or prudent.
- 10. An electric utility shall adjust its rates on a quarterly basis based on changes in the electric utility's recorded costs of purchased fuel or purchased power. In addition to adjusting its rates on a quarterly basis, an electric utility may request approval from the Commission to make quarterly adjustments to its deferred energy accounting adjustment. The Commission shall approve or deny such a request not later than 120 days after the application is filed with the Commission. The Commission may approve the request if the Commission finds that approval of the request is in the public interest. If the Commission approves a request to make quarterly adjustments to the deferred energy accounting adjustment of an electric utility pursuant to this subsection, any quarterly adjustment to the deferred energy accounting adjustment must not exceed 0.25 cents per kilowatt-hour of electricity. If the balance of the electric utility's deferred account varies by less than 5 percent from the electric utility's annual recorded costs for purchased fuel or purchased power which are used to calculate quarterly rate adjustments, the deferred energy accounting adjustment must be set to zero cents per kilowatt-hour of electricity.
- 11. A quarterly rate adjustment filed pursuant to subsection 10 is subject to the following requirements:
- (a) The electric utility shall file written notice with the Commission on or before August 15, 2007, and every quarter thereafter of the quarterly rate adjustment to be made by the electric utility for the following quarter. The first quarterly rate adjustment by the electric utility will take effect on October 1, 2007, and each subsequent quarterly rate adjustment will take effect every

quarter thereafter. The first quarterly adjustment to a deferred energy accounting adjustment must be made pursuant to an order issued by the Commission approving the application of an electric utility to make quarterly adjustments to its deferred energy accounting adjustment. A quarterly rate adjustment is not subject to the requirements for notice and a hearing pursuant to NRS 703.320 or the requirements for a consumer session pursuant to subsection 1 of NRS 704.069.

- (b) The electric utility shall provide written notice of each quarterly rate adjustment to its customers by including the written notice with a customer's regular monthly bill. The electric utility shall begin providing such written notice to its customers not later than 30 days after the date on which the electric utility files a written notice with the Commission pursuant to paragraph (a). The written notice that is included with a customer's regular monthly bill:
- (1) Must be printed separately on fluorescent-colored paper and must not be attached to the pages of the bill; and
  - (2) Must include the following:
- (I) The total amount of the increase or decrease in the electric utility's revenues from the rate adjustment, stated in dollars and as a percentage;
- (II) The amount of the monthly increase or decrease in charges for each class of customer or class of service, stated in dollars and as a percentage;
- (III) A statement that customers may send written comments or protests regarding the rate adjustment to the Commission;
- (IV) A statement that the transactions and recorded costs of purchased fuel or purchased power which are the basis for any quarterly rate adjustment will be reviewed for reasonableness and prudence in the next proceeding held by the Commission to review the annual deferred energy accounting adjustment application pursuant to paragraph (d); and
  - (V) Any other information required by the Commission.
- (c) The electric utility shall file an annual deferred energy accounting adjustment application pursuant to NRS 704.187 with the Commission. The annual deferred energy accounting adjustment application is subject to the requirements for notice and a hearing pursuant to NRS 703.320 and the requirements for a consumer session pursuant to subsection 1 of NRS 704.069.
- (d) The proceeding regarding the annual deferred energy accounting adjustment application must include a review of each quarterly rate adjustment and the transactions and recorded costs of purchased fuel and purchased power included in each quarterly filing and the annual deferred energy accounting adjustment application. There is no presumption of reasonableness or prudence for any quarterly rate adjustment or for any transactions or recorded costs of purchased fuel and purchased power included in any quarterly rate adjustment or the annual deferred energy accounting adjustment application, and the electric utility has the burden of proving reasonableness and prudence in the proceeding.
- (e) The Commission shall not allow the electric utility to recover any recorded costs of purchased fuel and purchased power which were the result

of any practice or transaction that was unreasonable or was undertaken, managed or performed imprudently by the electric utility, and the Commission shall order the electric utility to adjust its rates if the Commission determines that any recorded costs of purchased fuel and purchased power included in any quarterly rate adjustment or the annual deferred energy accounting adjustment application were not reasonable or prudent.

- 12. If an electric utility files an annual deferred energy accounting adjustment application pursuant to subsection 11 and NRS 704.187 while a general rate application is pending, the electric utility shall:
- (a) Submit with its annual deferred energy accounting adjustment application information relating to the cost of service and rate design; and
- (b) Supplement its general rate application with the same information, if such information was not submitted with the general rate application.
- 13. A utility facility identified in a 3-year plan submitted pursuant to NRS 704.741 and accepted by the Commission for acquisition or construction pursuant to NRS 704.751 and the regulations adopted pursuant thereto, or the retirement or elimination of a utility facility identified in an emissions reduction and capacity replacement plan submitted pursuant to NRS 704.7316 and accepted by the Commission for retirement or elimination pursuant to NRS 704.751 and the regulations adopted pursuant thereto, shall be deemed to be a prudent investment. The utility may recover all just and reasonable costs of planning and constructing, or retiring or eliminating, as applicable, such a facility. For the purposes of this subsection, a plan or an amendment to a plan shall be deemed to be accepted by the Commission only as to that portion of the plan or amendment accepted as filed or modified with the consent of the utility pursuant to NRS 704.751.
- 14. In regard to any rate or schedule approved or disapproved pursuant to this section, the Commission may, after a hearing:
- (a) Upon the request of the utility, approve a new rate but delay the implementation of that new rate:
  - (1) Until a date determined by the Commission; and
- (2) Under conditions as determined by the Commission, including, without limitation, a requirement that interest charges be included in the collection of the new rate; and
- (b) Authorize a utility to implement a reduced rate for low-income residential customers.
- 15. The Commission may, upon request and for good cause shown, permit a public utility which purchases natural gas for resale or an electric utility to make a quarterly adjustment to its deferred energy accounting adjustment in excess of the maximum allowable adjustment pursuant to subsection 8 or 10.
- 16. A public utility which purchases natural gas for resale or an electric utility that makes quarterly adjustments to its deferred energy accounting adjustment pursuant to subsection 8 or 10 may submit to the Commission for approval an application to discontinue making quarterly adjustments to its deferred energy accounting adjustment and to subsequently make annual

adjustments to its deferred energy accounting adjustment. The Commission may approve an application submitted pursuant to this subsection if the Commission finds that approval of the application is in the public interest.

- 17. As used in this section:
- (a) "Deferred energy accounting adjustment" means the rate of a public utility which purchases natural gas for resale or an electric utility that is calculated by dividing the balance of a deferred account during a specified period by the total therms or kilowatt-hours which have been sold in the geographical area to which the rate applies during the specified period.
  - (b) "Electric utility" has the meaning ascribed to it in NRS 704.187.
- (c) "Electric utility that primarily serves densely populated counties" means an electric utility that, with regard to the provision of electric service, derives more of its annual gross operating revenue in this State from customers located in counties whose population is 700,000 or more than it does from customers located in counties whose population is less than 700,000.
- (d) "Electric utility that primarily serves less densely populated counties" means an electric utility that, with regard to the provision of electric service, derives more of its annual gross operating revenue in this State from customers located in counties whose population is less than 700,000 than it does from customers located in counties whose population is 700,000 or more.
- Sec. 21. The provisions of this act must not be construed to invalidate the effectiveness of any rate, charge, classification or joint rate fixed by the Commission before the effective date of this act, and such rates, charges, classifications and joint rates remain in force, and are prima facie lawful, from the date of the order of the Commission fixing such rates, charges, classifications and joint rates until changed or modified by the Commission, or pursuant to NRS 703.373 to 703.376, inclusive.
  - Sec. 22. This act becomes effective upon passage and approval.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 324 makes three changes to Senate Bill No. 300. It deletes the existing language in the bill in its entirety; amends the bill to allow the Nevada Power Company and Sierra Pacific Power Company to request a longer rate-case cycle from the Public Utility Commission of Nevada (PUCN) pursuant to an alternative ratemaking plan; amends the bill to permit the use of an alternative ratemaking plan for an electric utility under certain circumstances, such a plan may include an earnings-sharing mechanism that requires the utility to share earnings above a specified percentage of return on equity with certain customers. Finally, it requires the PUCN to adopt regulations to allow the use of alternative ratemaking mechanisms.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 310.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 343.

SUMMARY—<u>[Enacts provisions requiring the payment of deposits and refunds on certain beverage containers sold in this State.]</u> Authorizes the creation of pilot programs for recycling beverage containers. (BDR 40-752)

AN ACT relating to programs for recycling; <del>[enacting provisions requiring]</del> <u>authorizing the creation of pilot programs for recycling that include</u> the payment of deposits and refunds on certain beverage containers sold in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

— [This] Section 17.25 of this bill [establishes] authorizes the Director of the State Department of Conservation and Natural Resources to establish a pilot program for requiring deposits to be paid and then refunded on certain recyclable beverage containers sold in this State. [Under section 11 of this bill, every beverage container, with certain exceptions, has a refund value of 5 cents. Section 12 of this bill requires every beverage container sold in this State with a refund value to be clearly labeled with that refund value and with the word "Nevada" or the abbreviation "NV." Section 13 of this bill requires a consumer to deposit the refund value of each beverage container when purchasing a filled container and requires a dealer who receives that deposit to submit the amount of the deposit to the Director of the State Department of Conservation and Natural Resources for deposit in the Beverage Container Recycling Fund. Section 13 also authorizes a consumer to return the beverage container to a redemption center and requires the Division of Environmental Protection of the Department to adopt regulations for the certification of those redemption centers. Section 14 of this bill provides for paying the refund value of the empty beverage container to the consumer by a redemption center. Section 15 of this bill prohibits a person from attempting to return for a refund more than a certain number of empty beverage containers that the person knows or has reason to know were not originally sold in this State.] Section 17.5 of this bill authorizes the governing body of a city or the board of county commissioners of a county to establish a pilot program for requiring deposits to be paid and then refunded on certain recyclable beverage containers sold in the city or county, as applicable.

\_\_Section 16 of this bill creates the Beverage Container Recycling Fund and requires the money in the Fund to be used for recycling and recycling promotion and education programs. [Section 17 of this bill requires certain reports to be made to the Director of the Department, and section 18 of this bill requires the Division to adopt regulations necessary to carry out the provisions of this bill.]

Section 18.5 of this bill requires the Director to submit a report to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 81st Session of the Legislature regarding any pilot programs for recycling established pursuant to the provisions of this bill.

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

Section 1. Chapter 444A of NRS is hereby amended by adding thereto the

provisions set forth as sections 2 to  $\frac{17}{17}$  17.5, inclusive, of this act.

- Sec. 2. As used in sections 2 to [17,] 17.5, inclusive, of this act, the words and terms described in sections 3 to 10, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Beverage" means beer and other malt beverages, bottled water, mineral water, soda water, bottled or canned tea, bottled or canned energy drinks, flavored water and any other carbonated or noncarbonated drinks intended for human consumption. The term does not include milk or wine.
- Sec. 4. "Beverage container" means any sealable bottle, can, jar or carton that is primarily composed of glass, metal or plastic or any combination thereof and is produced for the purpose of containing a beverage for a single use.
- Sec. 5. "Consumer" means a person who purchases a beverage in a beverage container for use or consumption with no intent to resell the beverage.
- Sec. 6. "Dealer" means a person who engages in the sale of beverages in beverage containers. The term includes the operator of a vending machine that sells beverages.
- Sec. 7. ["Director" means the Director of the State Department of Conservation and Natural Resources.] (Deleted by amendment.)
- Sec. 8. ["Distributor" means a person who engages in the sale of beverages in beverage containers to a dealer.] (Deleted by amendment.)
- Sec. 9. ["Division" means the Division of Environmental Protection of the State Department of Conservation and Natural Resources.] (Deleted by amendment.)
- Sec. 10. "Redemption center" means a facility that is certified by the <del>[Division]</del> <u>Director of the State Department of Conservation and Natural Resources</u> pursuant to the regulations adopted pursuant to section <del>[13]</del> 17.25 of this act to accept beverage containers from consumers.
- Sec. 11. [1. Except as otherwise provided in subsection 2, every beverage container sold or offered for sale in this State has a refund value of 5 cents.
- 2. The following beverage containers do not have a refund value:
- (a) A beverage container sold by a distributor for use by a common carrier in the conduct of interstate passenger service; and
- (b) A beverage container sold by a distributor for use by a gaming establishment, saloon, restaurant or resort that demonstrates to the satisfaction of the State Environmental Commission that:
- (1) Of the beverage containers sold or given away by the gaming establishment, saloon, restaurant or resort, a percentage not less than that determined by the Division pursuant to subsections 3 and 4 contain beverage, that will be consumed on the premises; and
- (2) The gaming establishment, saloon, restaurant or resort has on the premises a program for recycling beverage containers.

- 3. The Division shall adopt regulations prescribing the method for determining the percentage of beverage containers sold or given away by a gaming establishment, saloon, restaurant or resort required for the exemption pursuant to paragraph (b) of subsection 2.
- 4. The regulations adopted pursuant to subsection 3 must provide for consideration by the Division of the size and nature of the gaming establishment, saloon, restaurant or resort and the purposes of sections 2 to 17, inclusive, of this act.] (Deleted by amendment.)
- Sec. 12. [A beverage container with a refund value must not be sold in this State unless the beverage container is clearly labeled:
- 1. With the refund value of the beverage container; and
- 2. With the word "Nevada" or the abbreviation "NV."] (Deleted by amendment.)
- Sec. 13. [1. For every filled beverage container that a consumer purchases from a dealer, the consumer shall deposit the refund value of the beverage container with the dealer.
- 2. Not later than 10 days after the end of each month, a dealer that receives a deposit from a consumer pursuant to subsection 1 shall submit the amount of the deposit to the Director for deposit pursuant to the provisions of section 16 of this act.
- 3. A consumer who deposits the refund value of a beverage container pursuant to subsection 1 may return the beverage container to a redemption center pursuant to section 14 of this act.
- 4. The Division shall adopt regulations concerning the issuance and renewal of certificates for redemption centers and the administration and enforcement of the provisions of sections 2 to 17, inclusive, of this act. The regulations must include, without limitation, provisions setting forth:
- (a) The requirements for the issuance and renewal of those certificates
- (b) The fees, if any, for the issuance and renewal of those certificates;
- (c) The manner in which deposits, refunds of deposits and reimbursements for refunds of deposits paid by redemption centers must be made from the Beverage Container Recycling Fund created by section 16 of this act: and
- —(d) Any other requirements specified by the Division to earry out the provisions of sections 2 to 17, inclusive, of this act.] (Deleted by amendment.)
- Sec. 14. [1. Except as otherwise provided in subsections 2 and 3, a redemption center shall:
- (a) Accept from any person during normal business hours any empty beverage container of the type, size and brand sold by a dealer in this State; and
- (b) Pay the person the refund value of each empty beverage container so returned.
- 2. A redemption center may refuse to accept a beverage container which contains material foreign to the normal contents of the beverage container other than water, soap or any similar cleaning material or solution.

- 3. A redemption center may refuse to accept empty beverage containers that the redemption center reasonably believes were not originally sold in this State as filled beverage containers.] (Deleted by amendment.)
- Sec. 15. [A person shall not offer to return at one time to a redemption center more than 250 empty beverage containers that the person knows or has reason to know were not originally sold in this State as filled beverage containers.] (Deleted by amendment.)
- Sec. 16. 1. The Beverage Container Recycling Fund is hereby created in the State Treasury as a special revenue fund.
- 2. All money received by a dealer pursuant to <u>subsection 1 of</u> section [13] 17.25 of this act must be deposited in the State Treasury for credit to the Fund. [The Director may apply for and accept any gift, donation, bequest, grant or other source of money to carry out the provisions of sections 2 to 17, inclusive, of this act. Any money so received must be deposited in the State Treasury for credit to the Fund.]
- 3. The Fund is a continuing fund without reversion. The money in the Fund must be invested as the money in other state funds is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund. Claims against the Fund must be paid as other claims against the State are paid.
- 4. The Director of the Department of Taxation shall administer the Fund. The money in the Fund, after deducting any costs incurred by the [Division] Department of Taxation or the State Department of Conservation and Natural Resources in administering the provisions of sections 2 to [17,] 17.5, inclusive, of this act, must be used [by the Division] solely for recycling programs and programs promoting recycling and education concerning recycling.
- 5. The Director of the Department of Taxation, in cooperation with the Director of the State Department of Conservation and Natural Resources, may adopt any regulations necessary to carry out the provisions of this section.
- Sec. 17. [Not later than the 10th day of each month, each dealer and redemption center shall, as applicable, report to the Director, in the manner prescribed by the Director:
- 1. The amount deposited with the dealer pursuant to section 13 of this act during the immediately preceding month;
- 2. The amount refunded to a consumer pursuant to section 14 of this act during the immediately preceding month; and
- 3. Any other information required by the Director.] (Deleted by amendment.)
- Sec. 17.25. <u>1. The Director of the State Department of Conservation</u> and Natural Resources may;
- (a) Establish a pilot program for recycling that requires a dealer to collect and remit a deposit for each beverage sold in a recyclable beverage container in this State and offers a refund equal to the deposit amount to any consumer that returns the beverage container to a redemption center for recycling.

- (b) Enter into an agreement with the governing body of a city or the board of county commissioners of a county for the governing body or board, as applicable, to establish a pilot program for recycling that requires a dealer to collect and remit a deposit for each beverage sold in a recyclable beverage container in the city or county, as applicable, and offers a refund equal to the deposit amount to any consumer that returns the beverage container to a redemption center for recycling.
- (c) Apply for and accept any gift, donation, bequest, grant or other source of money to carry out the provisions of sections 2 to 17.5, inclusive, of this act. Any money so received must be deposited in the State Treasury for credit to the Beverage Container Recycling Fund created by section 16 of this act.
- (d) Adopt regulations to carry out any pilot program created pursuant to this section, including, without limitation, regulations:
  - (1) Establishing the deposit amount for a beverage container;
  - (2) Providing for the certification of redemption centers; and
- (3) Setting forth the types of beverage containers included in the program.
- 2. The Director shall exempt beverage containers sold or provided by a resort hotel, as defined in NRS 463.01865, from any pilot program established pursuant to this section.
- Sec. 17.5. 1. The governing body of a city or the board of county commissioners of a county may establish by ordinance a pilot program for recycling that requires a dealer to collect and remit a deposit for each beverage sold in a recyclable beverage container in the city or county, as applicable, and offers a refund equal to the deposit amount to any consumer that returns the beverage container to a redemption center for recycling.
- 2. A governing body that has established a pilot program pursuant to subsection 1 shall exempt beverage containers sold or provided by a resort hotel, as defined in NRS 463.01865, from the program.
- 3. Any deposits collected from a dealer as part of a pilot program established pursuant to subsection 1 must be accounted for separately in the city or county fund, as applicable.
- Sec. 18. [The Division of Environmental Protection of the State Department of Conservation and Natural Resources shall, on or before December 31, 2020, adopt any regulations required or necessary to earry out the provisions of this act.] (Deleted by amendment.)
- Sec. 18.5. On or before January 31, 2021, the Director of the State Department of Conservation and Natural Resources shall submit a report to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 81st Session of the Legislature regarding the pilot programs for recycling, if any, established pursuant to section 17.25 or 17.5 of this act. The report must include, without limitation:
- 1. The number of beverage containers returned for a refund;
- 2. The number of beverage containers returned for a refund as a percentage of the total number of beverage containers sold in the jurisdiction; and

## 3. Recommendations for legislation, if any.

Sec. 19. This act becomes effective:

- 1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - 2. On [January] July 1, [2021,] 2019, for all other purposes.

Senator Scheible moved the adoption of the amendment.

Remarks by Senator Scheible.

Amendment No. 343 to Senate Bill No. 310 deletes the majority of the original bill and instead authorizes the Director of the State Department of Conservation and Natural Resources (CNR) to establish a pilot program for recycling that includes the payment and refund of deposits on certain beverage containers; provides that the Department of Taxation shall administer the created Beverage Container Recycling Fund; provides that the governing body of a city or the board of county commissioners may establish a pilot program for requiring deposits to be paid and refunded on certain recyclable beverage containers. It also provides that beverage containers sold or provided by a resort hotel, as defined in Nevada Revised Statute 463.01865, shall be exempted from any established pilot program; requires the Director of CNR to submit a report regarding the program to the Governor and the Legislative Counsel Bureau for transmittal to the 81st Session of the Legislature, and requires the report to include the number of beverage containers returned for a refund, the number returned as a percentage of the total number sold in the jurisdiction and any recommendations for legislation.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 316.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 341.

SUMMARY—Revises provisions governing <del>[actions relating to state lands.]</del> public nuisances. (BDR <del>[26-53)]</del> 15-53)

AN ACT relating to [state lands; prohibiting] public nuisances; making it a public nuisance for a person to engage in certain [actions] activities relating to [state lands;] highways, roads, state lands or other public lands or lands dedicated to public use; providing [penalties;] a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

— [Under existing federal law, a person may be subject to punishment for committing a misdemeanor if the person: (1) encloses or asserts a right to any public lands without a claim or color of title to the public lands; or (2) by force, threats, intimidation or any other unlawful means, prevents or obstructs the free passage or transit over the public lands. (43 U.S.C. §§ 1061, 1063, 1064) Sections 2 and 3 of this bill enact similar provisions in this State. Specifically, section 2 makes it unlawful for a person to construct a fence or otherwise

enclose any state land or to assert an exclusive right to use and occury any state land if the person has no leasehold interest in or claim or color of title to the state land. Section 3 makes it unlawfull Existing law states that: (1) a public nuisance is a crime against the order and economy of the State; and (2) a person commits a public nuisance if he or she engages in various activities, including without limitation, unlawfully interfering with or obstructing a street, bridge or highway. (NRS 202.450) A person who commits or maintains a public nuisance for which no special punishment is prescribed is guilty of a misdemeanor, and a court may order the person to abate the nuisance and pay a civil penalty of not less than \$500 but not more than \$5,000. (NRS 202.470, 202.480) Section 3.2 of this bill expands existing law by making it a public nuisance for a person, by force, threat, intimidation or any other unlawful means, to prevent or obstruct the free passage or transit over or through fany state land certain highways, roads, state lands or other public lands or lands dedicated to public use or to knowingly misrepresent the status of or assert any right to the exclusive use and occupancy of those highways, roads, state lands or other public lands or lands dedicated to public use, if the person has no leasehold interest in or claim or color of title to the highway, road, state land ₩ or other public land or land dedicated to public use. Sections 3.4-3.8 of this bill make conforming changes.

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

- Section 1. [Chapter 321 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this aet.] (Deleted by amendment.)
- Sec. 2. [1. It is unlawful for any person to:
- (a) Construct, maintain or control any fence or other barrier enclosing any state land: or
- (b) Assert any right to the exclusive use and occupancy of any state land, → if the person has no leasehold interest, claim or color of title, made or acquired in good faith, in or to the state land included within the enclosure or
- 2. A person who violates a provision of subsection I is guilty of a misdemeanor.! (Deleted by amendment.)
- Sec. 3. [1. It is unlawful for any person, by force, threat or intimidation, or by fencing or otherwise enclosing, or by any other unlawful means, to prevent or obstruct the free passage or transit over or through any state land if the person has no leasehold interest, claim or color of title, made or asserted in good faith, in or to the state land.
- 2. A person who violates a provision of subsection 1 is guilty of a misdemeanor. (Deleted by amendment.)
  - Sec. 3.2. NRS 202.450 is hereby amended to read as follows:
- 202.450 1. A public nuisance is a crime against the order and economy of the State.
  - 2. Every place:

- (a) Wherein any gambling, bookmaking or pool selling is conducted without a license as provided by law, or wherein any swindling game or device, or bucket shop, or any agency therefor is conducted, or any article, apparatus or device useful therefor is kept;
  - (b) Wherein any fighting between animals or birds is conducted;
  - (c) Wherein any dog races are conducted as a gaming activity;
- (d) Wherein any intoxicating liquors are kept for unlawful use, sale or distribution:
- (e) Wherein a controlled substance, immediate precursor or controlled substance analog is unlawfully sold, served, stored, kept, manufactured, used or given away;
- (f) That is regularly and continuously used by the members of a criminal gang to engage in, or facilitate the commission of, crimes by the criminal gang; or
  - (g) Where vagrants resort,
- → is a public nuisance.
- 3. Every act unlawfully done and every omission to perform a duty, which act or omission:
- (a) Annoys, injures or endangers the safety, health, comfort or repose of any considerable number of persons;
  - (b) Offends public decency;
- (c) Unlawfully interferes with, befouls, obstructs or tends to obstruct, or renders dangerous for passage, a lake, navigable river, bay, stream, canal, ditch, millrace or basin, or a public park, square, street, alley, bridge, causeway or highway; or
- (d) In any way renders a considerable number of persons insecure in life or the use of property,
- → is a public nuisance.
- 4. A building or place which was used for the purpose of unlawfully manufacturing a controlled substance, immediate precursor or controlled substance analog is a public nuisance if the building or place has not been deemed safe for habitation by the board of health and:
- (a) The owner of the building or place allows the building or place to be used for any purpose before all materials or substances involving the controlled substance, immediate precursor or controlled substance analog have been removed from or remediated on the building or place by an entity certified or licensed to do so; or
- (b) The owner of the building or place fails to have all materials or substances involving the controlled substance, immediate precursor or controlled substance analog removed from or remediated on the building or place by an entity certified or licensed to do so within 180 days after the building or place is no longer used for the purpose of unlawfully manufacturing a controlled substance, immediate precursor or controlled substance analog.
  - 5. *It is a public nuisance for any person:*

- (a) By force, threat or intimidation, or by fencing or otherwise enclosing, or by any other unlawful means, to prevent or obstruct the free passage or transit over or through any:
  - (1) Highway designated as a United States highway;
  - (2) Highway designated as a state highway pursuant to NRS 408.285;
  - (3) Main or general county road designated pursuant to NRS 403.170;
  - (4) State land or other public land; or
  - (5) Land dedicated to public use; or
- (b) To knowingly misrepresent the status of or assert any right to the exclusive use and occupancy of such a highway, road, state land or other public land or land dedicated to public use,
- → if the person has no leasehold interest, claim or color of title, made or asserted in good faith, in or to the highway, road, state land or other public land or land dedicated to public use.
- <u>6.</u> Agricultural activity conducted on farmland consistent with good agricultural practice and established before surrounding nonagricultural activities is not a public nuisance unless it has a substantial adverse effect on the public health or safety. It is presumed that an agricultural activity which does not violate a federal, state or local law, ordinance or regulation constitutes good agricultural practice.
- [6-] 7. A shooting range is not a public nuisance with respect to any noise attributable to the shooting range if the shooting range is in compliance with the provisions of all applicable statutes, ordinances and regulations concerning noise:
- (a) As those provisions existed on October 1, 1997, for a shooting range that begins operation on or before October 1, 1997; or
- (b) As those provisions exist on the date that the shooting range begins operation, for a shooting range in operation after October 1, 1997.
- → A shooting range is not subject to any state or local law related to the control of noise that is adopted or amended after the date set forth in paragraph (a) or (b), as applicable, and does not constitute a nuisance for failure to comply with any such law.
- [7.] 8. A request for emergency assistance by a tenant as described in NRS 118A.515 and 118B.152 is not a public nuisance.
  - [8.] 9. As used in this section:
  - (a) "Board of health" has the meaning ascribed to it in NRS 439.4797.
- (b) "Controlled substance analog" has the meaning ascribed to it in NRS 453.043.
  - (c) "Criminal gang" has the meaning ascribed to it in NRS 193.168.
  - (d) "Immediate precursor" has the meaning ascribed to it in NRS 453.086.
  - (e) "Shooting range" has the meaning ascribed to it in NRS 40.140.
- (f) "State land" has the meaning ascribed to it in NRS 383.425.
- Sec. 3.4. NRS 244.363 is hereby amended to read as follows:
- 244.363 Except as otherwise provided in subsection 3 of NRS 40.140 and subsection  $\frac{6}{2}$  of NRS 202.450, the boards of county commissioners in their

respective counties may, by ordinance regularly enacted, regulate, control and prohibit, as a public nuisance, excessive noise which is injurious to health or which interferes unreasonably with the comfortable enjoyment of life or property within the boundaries of the county.

Sec. 3.6. NRS 266.335 is hereby amended to read as follows:

266.335 The city council may:

- 1. Except as otherwise provided in subsections 3 and 4 of NRS 40.140 and subsections [6] 7 and [7] 8 of NRS 202.450, determine by ordinance what shall be deemed nuisances.
- 2. Provide for the abatement, prevention and removal of the nuisances at the expense of the person creating, causing or committing the nuisances.
- 3. Provide that the expense of removal is a lien upon the property upon which the nuisance is located. The lien must:
- (a) Be perfected by recording with the county recorder a statement by the city clerk of the amount of expenses due and unpaid and describing the property subject to the lien.
- (b) Be coequal with the latest lien thereon to secure the payment of general taxes.
- (c) Not be subject to extinguishment by the sale of any property because of the nonpayment of general taxes.
- (d) Be prior and superior to all liens, claims, encumbrances and titles other than the liens of assessments and general taxes.
- 4. Provide any other penalty or punishment of persons responsible for the nuisances.

## Sec. 3.8. NRS 268.412 is hereby amended to read as follows:

268.412 Except as otherwise provided in subsection 3 of NRS 40.140 and subsection [6].7 of NRS 202.450, the city council or other governing body of a city may, by ordinance regularly enacted, regulate, control and prohibit, as a public nuisance, excessive noise which is injurious to health or which interferes unreasonably with the comfortable enjoyment of life or property within the boundaries of the city.

Sec. 4. This act becomes effective on July 1, 2019.

Senator Scheible moved the adoption of the amendment.

Remarks by Senator Scheible.

Amendment No. 341 to Senate Bill No. 316 deletes the majority of the bill as introduced and provides that it is a public nuisance for any person to by threat, intimidation, fencing, enclosure or by any other unlawful means, prevent or obstruct free passage over any federal or State highway, county road, State land or public land, or knowingly misrepresent the status of or assert any right to the exclusive use and occupancy of such highway, road, State land or public land if the person has no good-faith leasehold interest, claim or color of title.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 319.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 283.

SUMMARY—Revises provisions relating to education. (BDR 34-1063)

AN ACT relating to education; defining "school counselor," "school psychologist" and "school social worker" for certain purposes; establishing the duties of a school counselor, psychologist and social worker; requiring certain school counselors, psychologists\_, [and] social workers\_, audiologists\_, occupational therapists and physical therapists to receive an additional 5 percent of the base salary each year; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the licensing of [psychologists and] social workers. [(Chapters 641 and] (Chapter 641B of NRS) [Existing law authorizes a person who is certified as a school psychologist by the State Board of Education to use the title "school psychologist" or "certified school psychologist." (NRS 641.390)] Existing law requires the Commission on Professional Standards in Education to adopt regulations prescribing the qualifications for licensing educational personnel. (NRS 391.019) Section 1 of this bill defines school counselor, school psychologist and school social worker, respectively, for the school environment. Sections 3-5 of this bill establish the duties of a school counselor, psychologist and social worker, respectively, employed by a school district. Section 1.5 of this bill requires a public school, to the extent that money is available, to employ a school counselor on a full-time basis and provide for a comprehensive school counseling program.

Existing law requires an annual 5 percent salary increase for teachers, speech-language pathologists and school library media specialists who hold certain national certifications. (NRS 391.161-391.163) Section 6 of this bill requires an additional 5 percent to be added to the base salary of a counselor, psychologist or social worker who holds a national certification [-] unless an applicable collective bargaining agreement provides for a greater increase. Section 6.5 of this bill requires an additional 5 percent to be added to the base salary of an audiologist, occupational therapist or physical therapist who holds a national certification unless an applicable collective bargaining agreement provides for a greater increase.

Section 7 of this bill makes a conforming change.

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

Section 1. NRS 385.007 is hereby amended to read as follows:

385.007 As used in this title, unless the context otherwise requires:

- 1. "Achievement charter school" means a public school operated by a charter management organization, as defined in NRS 388B.020, an educational management organization, as defined in NRS 388B.030, or other person pursuant to a contract with the Achievement School District pursuant to NRS 388B.210 and subject to the provisions of chapter 388B of NRS.
  - 2. "Department" means the Department of Education.

- 3. "English learner" has the meaning ascribed to it in 20 U.S.C. § 7801(20).
- 4. "Homeschooled child" means a child who receives instruction at home and who is exempt from compulsory attendance pursuant to NRS 392.070, but does not include an opt-in child.
- 5. "Local school precinct" has the meaning ascribed to it in NRS 388G.535.
- 6. "Opt-in child" means a child for whom an education savings account has been established pursuant to NRS 353B.850, who is not enrolled full-time in a public or private school and who receives all or a portion of his or her instruction from a participating entity, as defined in NRS 353B.750.
- 7. "Public schools" means all kindergartens and elementary schools, junior high schools and middle schools, high schools, charter schools and any other schools, classes and educational programs which receive their support through public taxation and, except for charter schools, whose textbooks and courses of study are under the control of the State Board.
  - 8. "School bus" has the meaning ascribed to it in NRS 484A.230.
- 9. "School counselor" or "counselor" means a person who holds a license issued pursuant to chapter 391 of NRS and an endorsement to serve as a school counselor issued pursuant to regulations adopted by the Commission on Professional Standards in Education or who is otherwise authorized by the Superintendent of Public Instruction to serve as a school counselor.
- 10. "School psychologist" or "psychologist" means a *[psychologist licensed pursuant to chapter 641 of NRS]* person who holds a license issued pursuant to chapter 391 of NRS and an endorsement to serve as a school psychologist issued pursuant to regulations adopted by the Commission on Professional Standards in Education or who is otherwise authorized by the Superintendent of Public Instruction to serve as a school psychologist.
- 11. "School social worker" or "social worker" means a social worker licensed pursuant to chapter 641B of NRS who holds a license issued pursuant to chapter 391 of NRS and an endorsement to serve as a school social worker issued pursuant to regulations adopted by the Commission on Professional Standards in Education or who is otherwise authorized by the Superintendent of Public Instruction to serve as a school social worker.
  - 12. "State Board" means the State Board of Education.
- [10.] 13. "University school for profoundly gifted pupils" has the meaning ascribed to it in NRS 388C.040.
- *Sec. 1.5.* Chapter 388 of NRS is hereby amended by adding thereto a new section to read as follows:

Each public school, including, without limitation, each charter school, shall, to the extent that money is available for that purpose:

- 1. Employ a school counselor at the school on a full-time basis.
- 2. Provide for a comprehensive program for school counseling developed by a school counselor pursuant to section 3 of this act.

- Sec. 2. Chapter 391 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to  $\frac{[6,]}{6.5}$ , inclusive, of this act.
  - Sec. 3. 1. A school counselor shall  $\frac{f}{f}$ :
- (a) Design and deliver a comprehensive program for school counseling that promotes achievement of pupils; and
- (b) Devote not less than 80 percent of his or her time providing direct or indirect services to pupils.
- 2. A school counselor may, through consultation or collaboration with other educational personnel or by providing direct services:
- (a) [Design and deliver comprehensive programs for school counseling that promote achievement of pupils;
- <del>(b)]</del> Analyze data concerning the academic, career, social and emotional development of pupils to identify issues, needs and challenges of pupils;
- <del>[(e)]</del> (b) Address needs relating to the academic, career, social and emotional development of all pupils;
- $\frac{\{(d)\}\{(c)\}}{\{(c)\}}$  Advocate for equitable access to a rigorous education for all pupils and work to remove systemic barriers to such access;
- <del>[(e)]</del> (d) Deliver school counseling lessons through large-group, classroom, small-group and individual settings to promote pupil success;
- <del>[(f)]</del> (e) Provide to individual pupils services relating to academic planning and goal setting;
- <u>{(g)}</u> (f) Provide peer facilitation, crisis counseling and short-term counseling to pupils in individual and small-group settings;
- $\frac{\{(h)\}\}}{\{g\}}$  Provide referrals to a pupil and the parent or legal guardian of a pupil, as needed, for additional support services provided by the school or within the community;
- $\frac{f(i)f(h)}{f(h)}$  Participate on committees within the school and the school district, as appropriate; and
- [(j)] (i) Participate in planning for and implementing a response to a crisis at the school.
- [2.] 3. Each school counselor must be supervised by a licensed administrator.
- Sec. 4. 1. A school psychologist [shall,] may, through consultation or collaboration with other educational personnel or by providing direct services:
  - (a) Deliver mental and behavioral health services to pupils in a school;
- (b) Collaborate with the school, community and parents or legal guardians of pupils to promote a safe and supportive learning environment;
- (c) Provide preventative, intervention and postintervention services through integrated systems of support;
  - (d) Collect and analyze data on the mental and behavioral health of pupils;
  - (e) Administer applicable assessments to pupils;
- (f) Monitor the progress of the academic, mental and behavioral health of pupils;

- (g) Assist with the development and implementation of school-wide practices to promote learning;
  - (h) Analyze resilience and risk factors of pupils;
  - (i) Provide instructional support to other educational personnel;
- (j) Evaluate and make recommendations for the improvement of special education services;
  - (k) Promote diversity in development and learning;
- (l) Conduct research and evaluate programs related to the mental and behavioral health of pupils; and
- (m) Participate in planning for and implementing a response to a crisis at the school.
- 2. In a school district in which more than 50,000 pupils were enrolled during the preceding school year, each school psychologist must be supervised by a psychologist licensed pursuant to chapter [641] 391 of NRS who is a licensed administrator.
- 3. In a school district in which not more than 50,000 pupils were enrolled during the preceding school year, each school psychologist must be supervised by a licensed administrator.
- Sec. 5. 1. A school social worker [shall,] may, through consultation or collaboration with other educational personnel or by providing direct services:
  - (a) Act as a liaison between the home, school and community;
- (b) Provide therapy, counseling and support services for pupils and the families of pupils;
- (c) Provide individual and small-group therapy, counseling and support services;
  - (d) Provide mediation services;
  - (e) Advocate for the academic, social and emotional success of pupils;
  - (f) Assist other educational personnel with case management;
  - (g) Write applications for grants, as necessary;
- (h) Assist other educational personnel, including, without limitation, a school psychologist, with developing a plan for providing prevention and intervention services to pupils;
  - (i) Administer biopsychosocial assessments to pupils, as necessary;
  - (j) Support the learning of pupils;
  - (k) Provide services for professional development of staff;
- (1) Provide support and consultation to the school, the pupils and the parents or legal guardians of pupils at the school regarding, without limitation, education law and services related to special education;
- (m) Provide strengths-based assessments for the school, the pupils and the parents or legal guardians of pupils at the school;
  - (n) Assist parents or legal guardians with problem solving;
  - (o) Assist pupils with developing social skills;
- (p) Provide referrals to pupils and parents or legal guardians of pupils for education services; and

- (q) Participate in planning for and implementing a response to a crisis at the school.
- 2. Each school social worker must be supervised by a licensed administrator.

## Sec. 6. [Each]

- 1. Except as otherwise provided in subsection 2, each year when determining the salary of a person who is employed by a school district as a school counselor, psychologist or social worker, the school district shall add 5 percent to the salary that the person would otherwise receive in 1 year for the person's classification on the schedule of salaries of the school district if:
- [1.] (a) On or before September 15 of the school year, the person has submitted evidence satisfactory to the school district of the current certification of the person:
- <del>[(a)]</del> (1) As a school counselor by the National Board for Professional Teaching Standards or its successor organization;
- [(b)] (2) As a national certified school counselor by the National Board for Certified Counselors or its successor organization;
- $\frac{\{(e)\}}{\{(a)\}}$  (3) As a nationally certified school psychologist by the National Association of School Psychologists or its successor organization;
- $\frac{f(d)}{f(d)}$  (4) As a school psychologist by the American Board of School Psychology or its successor organization; or
- <del>[(e)]</del> (5) As a certified school social work specialist by the National Association of Social Workers or its successor organization; and
- $\frac{\{2.\}}{\{2.\}}$  (b) The person is assigned by the school district to serve as a school counselor, psychologist or social worker, as applicable, during that school year.
- → No increase in salary may be given pursuant to this section during a particular school year to a person who submits evidence of certification after September 15 of that school year. Once a person has submitted evidence of such certification to the school district, the school district shall retain the evidence in its records, as applicable, for future school years. An increase in salary given in accordance with this section is in addition to any other increase to which the person may otherwise be entitled.
- 2. If an applicable collective bargaining agreement provides for a greater increase to the salary of a person who satisfies the requirements of paragraphs (a) and (b) of subsection 1 than the increase in salary provided by subsection 1, the provisions of the collective bargaining agreement prevail.
- Sec. 6.5. 1. Except as otherwise provided in subsection 2, each year when determining the salary of a person who is employed by a school district as an audiologist, occupational therapist or physical therapist, the school district shall add 5 percent to the salary that the person would otherwise receive in 1 year for the person's classification on the schedule of salaries of the school district if:

- (a) On or before September 15 of the school year, the person has submitted evidence satisfactory to the school district of the current certification of the person:
  - (1) As a nationally certified audiologist;
  - (2) As a nationally certified occupational therapist; or
  - (3) As a nationally certified physical therapist; and
- (b) The person is assigned by the school district to serve as an audiologist, occupational therapist or physical therapist, as applicable, during that school year.
- No increase in salary may be given pursuant to this section during a particular school year to a person who submits evidence of certification after September 15 of that school year. Once a person has submitted evidence of such certification to the school district, the school district shall retain the evidence in its records, as applicable, for future school years. An increase in salary given in accordance with this section is in addition to any other increase to which the person may otherwise be entitled.
- 2. If an applicable collective bargaining agreement provides for a greater increase to the salary of a person who satisfies the requirements of paragraphs (a) and (b) of subsection 1 than the increase in salary provided by subsection 1, the provisions of the collective bargaining agreement prevail.
  - Sec. 7. NRS 391.160 is hereby amended to read as follows:
- 391.160 The salaries of teachers and other employees must be determined by the character of the service required as described in NRS 391.161 to 391.169, inclusive [.], and [section] sections 6 and 6.5 of this act. A school district shall not discriminate between male and female employees in the matter of salary.
  - Sec. 8. This act becomes effective on July 1, 2019.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 283 to Senate Bill No. 319 makes the following changes. It amends the definition of "school psychologist"; provides a 5-percent salary increase for a person who is employed as an audiologist, occupational therapist or physical therapist by a school district or public school and who holds a national certification; provides the 5-percent salary increases provided in the bill do not affect any applicable collective-bargaining agreement; provides that, to the extent money is available, all K-12 public schools must provide access to a full-time school counselor for their pupils and provide for a comprehensive school counseling program, and requires all school counselors employed by a district or public school to implement any comprehensive school counseling program adopted by the school in which they are employed and spend at least 80 percent of their work time providing direct and indirect services to students.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 338.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 574.

SUMMARY—Makes various changes relating to the regulation of fireworks. (BDR 42-34)

AN ACT relating to fireworks; requiring the State Fire Marshal to adopt certain regulations regarding fireworks; authorizing the State Fire Marshal to conduct certain actions regarding fireworks; requiring the regulations and ordinances adopted by certain governmental entities to be at least as restrictive as the regulations adopted by the State Fire Marshal; providing that such regulations and ordinances concerning the matter of fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies; requiring a person to reimburse the State Fire Marshal and certain governmental entities under certain circumstances for the improper storage or use of fireworks; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires the State Fire Marshal to enforce all laws and adopt regulations relating to the storage and use of fireworks. (NRS 477.030)

Section 4 of this bill requires the State Fire Marshal to enforce all laws and adopt regulations relating to [: (1) the storage and use of fireworks for the purposes of commercial display; (2) fireworks not used for the purposes of commercial display and not including certain devices; and (3) the types of fireworks that a local government may regulate.] fireworks, including requiring the State Fire Marshal to require fireworks sold, stored or used in this State to be certified by the American Fireworks Standards Laboratory and to be accompanied by evidence that the fireworks comply with the Standards for Consumer Fireworks that is published by the American Fireworks Standards Laboratory. Further, section 4 requires the State Fire Marshal to adopt regulations to define the term "fireworks." Section 4 additionally authorizes the State Fire Marshal to: (1) set standards for designating which types of fireworks and pyrotechnics are "safe and sane fireworks"; and (2) institute a legal proceeding to enforce certain provisions as they relate to fireworks. Section 4 provides that any regulations of the State Fire Marshal concerning the matter of fireworks and the provisions of section 3 of this bill do not apply to and do not prohibit the manufacture of fireworks for, or the

Existing law requires the board of directors of a county fire protection district and the board of fire commissioners to adopt and enforce all rules and regulations necessary for the administration and government of the county fire protection district. (NRS 474.160, 474.470) Existing law authorizes a board of county commissioners and a city council to create a district for a fire department and to organize, regulate and maintain a fire department, respectively. (NRS 244.2961, 266.310) Existing law additionally authorizes a board of county commissioners to pass ordinances concerning the sale, use, storage and possession of fireworks. (NRS 244.367) Existing law authorizes the town board or board of county commissioners to regulate the storage of gunpowder and other explosive or combustive materials. (NRS 269.220)

transportation or sale of fireworks to, Indian reservations and Indian colonies.

Sections 1, 2 and 5-8 of this bill: (1) require or authorize these governmental entities to regulate or adopt ordinances concerning the manufacture, sale, use, storage and possession of fireworks so long as such regulations or ordinances are at least as stringent as the regulations concerning fireworks that are adopted by the State Fire Marshal [...]: (2) require a person who stores or uses fireworks in violation of such regulations or ordinances to reimburse the governmental entity for certain costs resulting from such a violation; and (3) authorize the governmental entity to institute a legal proceeding to enforce sections 1, 2 and 5-8, respectively. Sections 1, 2 and 5-8 provide that any regulations or ordinances and certain other provisions concerning the matter of fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.

Existing law authorizes the State Fire Marshal or the State Board of Fire Services to issue a written administrative citation to a person who the State Fire Marshal or the State Board of Fire Services has reason to believe has committed a violation of existing law or regulations administered by the State Fire Marshal. (NRS 477.240) Section 3 of this bill additionally requires a person who stores or uses fireworks in violation of existing law or regulations that are administered by the State Fire Marshal to reimburse the State Fire Marshal and certain agencies of state or local government for certain costs resulting from such a violation. Section 3 authorizes the State Fire Marshal or certain agencies of state or local government to institute a legal proceeding to enforce section 3.

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

Section 1. NRS 474.160 is hereby amended to read as follows:

474.160 <u>1.</u> The board of directors shall:

- $\{1+\}$  (a) Manage and conduct the business and affairs of the county fire protection district.
- [2-] (b) Adopt and enforce all rules and regulations necessary for the administration and government of the district and for the furnishing of fire protection thereto, which may include regulations relating to fire prevention. The regulations may include provisions that are designed to protect life and property from:
- $\frac{\{(a)\}}{(1)}$  The hazards of fire and explosion resulting from the storage, handling and use of hazardous substances, materials and devices; and
- [(b)] (2) Hazardous conditions relating to the use or occupancy of any premises.
- Any regulation concerning hazardous substances, materials or devices adopted pursuant to this [section] paragraph must be consistent with any plan or ordinance concerning those substances, materials or devices that is required by the Federal Government and has been adopted by the board of county commissioners. Any regulation prohibiting, restricting, suppressing or otherwise regulating the manufacture, sale, use, storage or possession of fireworks, and any penalties for the violation thereof, must be at least as

stringent as the regulations that are adopted by the State Fire Marshal pursuant to chapter 477 of NRS.

- $\boxed{3-}$  (c) Organize, regulate, establish and disband fire companies, departments or volunteer fire departments for the district.
  - [4.] (d) Make and execute in the name of the district all necessary contracts.
- [5-] (e) Adopt a seal for the district to be used in the attestation of proper documents.
- [6.] (f) Provide for the payment from the proper fund of the salaries of employees of the district and all the debts and just claims against the district.
- [7.] (g) Employ agents and employees for the district sufficient to maintain and operate the property acquired for the purposes of the district.
- [8.] (h) Acquire real or personal property necessary for the purposes of the district and dispose of that property when no longer needed.
  - [9.] (i) Construct any necessary structures.
- [10.] (j) Acquire, hold and possess, either by donation or purchase, in the name and on behalf of the district any land or other property necessary for the purpose of the district.
- [11.] (k) Eliminate and remove fire hazards within the district if practicable and possible, whether on private or public premises, and to that end the board may clear the public highways and private lands of dry grass, stubble, brush, rubbish or other inflammable material in its judgment constituting a fire hazard.
- [12.] (1) Perform all other acts necessary, proper and convenient to accomplish the purposes of NRS 474.010 to 474.450, inclusive.
- 2. A person who sells, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of a regulation adopted pursuant to paragraph (b) of subsection 1 shall reimburse the district for the direct and indirect costs incurred by the district to:
- (a) Investigate any such violation;
- (b) Suppress a fire resulting from the storage or use of such fireworks; and
- (c) Confiscate and dispose of such fireworks stored or used in violation of the provisions of a regulation adopted pursuant to paragraph (b) of subsection 1.
- 3. The district may institute a legal proceeding to enforce the provisions of a regulation adopted pursuant to paragraph (b) of subsection 1 that relates to fireworks or the provisions of subsection 2.
- 4. Any regulations adopted pursuant to this section and any provisions of this section concerning matters relating to fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 5. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
  - (1) *Labor*;
  - (2) Equipment and materials;
  - (3) Supervision of employees;

- (4) Supplies;
- (5) *Tools*:
- (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the district pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.
  - Sec. 2. NRS 474.470 is hereby amended to read as follows:
  - 474.470 *1*. The board of fire commissioners shall:
- [1.] (a) Manage and conduct the business and affairs of districts organized pursuant to the provisions of NRS 474.460 or 474.533.
- [2.] (b) Adopt and enforce all rules and regulations necessary for the administration and government of the districts and for the furnishing of fire protection thereto, which may include regulations relating to emergency medical services and fire prevention. The regulations may include provisions that are designed to protect life and property from:
- <del>[(a)]</del> <u>(1)</u> The hazards of fire and explosion resulting from the storage, handling and use of hazardous substances, materials and devices; and
- <del>[(b)]</del> (2) Hazardous conditions relating to the use or occupancy of any premises.
- → Any regulation concerning hazardous substances, materials or devices adopted pursuant to this [section] paragraph must be consistent with any plan or ordinance concerning those substances, materials or devices that is required by the Federal Government and has been adopted by the board of county commissioners. Any regulation prohibiting, restricting, suppressing or otherwise regulating the manufacture, sale, use, storage or possession of fireworks, and any penalties for the violation thereof, must be at least as stringent as regulations that are adopted by the State Fire Marshal pursuant to chapter 477 of NRS.
- [3-] (c) Organize, regulate, establish and disband fire companies, departments or volunteer fire departments for the districts.
- [4.] (d) Provide for the payment of salaries to the personnel of those fire companies or fire departments.
- [5.] (e) Provide for payment from the proper fund of all the debts and just claims against the districts.
- [6.] (f) Employ agents and employees for the districts sufficient to maintain and operate the property acquired for the purposes of the districts.
- [7.] (g) Acquire real or personal property necessary for the purposes of the districts and dispose of the property if no longer needed.
  - [8.] (h) Construct any necessary structures.

- [9.] (i) Acquire, hold and possess, by donation or purchase, any land or other property necessary for the purpose of the districts.
- [10.] (j) Eliminate and remove fire hazards from the districts if practicable and possible, whether on private or public premises, and to that end the board of fire commissioners may clear the public highways and private lands of dry grass, stubble, brush, rubbish or other inflammable material in its judgment constituting a fire hazard.
- [11.] (k) Perform all other acts necessary, proper and convenient to accomplish the purposes of NRS 474.460 to 474.540, inclusive.
- 2. A person who sells, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of a regulation adopted pursuant to paragraph (b) of subsection 1 shall reimburse the district for the direct and indirect costs incurred by the district to:
- (a) Investigate any such violation;
- (b) Suppress a fire resulting from the sale, storage or use of such fireworks; and
- <u>(c) Confiscate and dispose of such fireworks sold, stored or used in violation of the provisions of a regulation adopted pursuant to paragraph (b) of subsection 1.</u>
- 3. The district may institute a legal proceeding to enforce the provisions of a regulation adopted pursuant to paragraph (b) of subsection 1 that relates to fireworks or the provisions of subsection 2.
- 4. Any regulations adopted pursuant to this section and any provisions of this section concerning matters relating to fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 5. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
- (1) *Labor*;
- (2) Equipment and materials;
  - (3) Supervision of employees;
- (4) Supplies;
- (5) *Tools*;
- (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the district pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.

- Sec. 3. Chapter 477 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A person who <u>sells</u>, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of the provisions of this chapter or the regulations adopted pursuant thereto shall reimburse the State Fire Marshal and any agency of the state or local government for the <u>direct and indirect</u> costs incurred by the State Fire Marshal or agency to:
  - (a) Investigate any such violation;
- (b) Suppress a fire resulting from the <u>sale</u>, storage or use of such fireworks; and
- (c) Confiscate and dispose of such fireworks <u>sold</u>, stored or <del>[possessed]</del> <u>used</u> in violation of the provisions of this chapter or the regulations adopted pursuant thereto.
- 2. The State Fire Marshal or any agency of the state or local government that incurred costs from a violation described in subsection 1 may institute a legal proceeding to enforce the provisions of subsection 1.
- 3. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
  - (1) *Labor*;
  - (2) Equipment and materials;
  - (3) Supervision of employees;
  - (4) Supplies;
- (5) *Tools*;
  - (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the State Fire Marshal or any agency of the state or local government pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.
  - Sec. 4. NRS 477.030 is hereby amended to read as follows:
- 477.030 1. Except as otherwise provided in this section, the State Fire Marshal shall enforce all laws and adopt regulations relating to:
  - (a) The prevention of fire.
  - (b) The storage and use of:
- (1) [Combustibles,] Fireworks for the purposes of commercial display, combustibles and flammables; [and fireworks;] and
- (2) Explosives in any commercial construction, but not in mining or the control of avalanches,
- → under those circumstances that are not otherwise regulated by the Division of Industrial Relations of the Department of Business and Industry pursuant to NRS 618.890.

- (c) The safety, access, means and adequacy of exit in case of fire from mental and penal institutions, facilities for the care of children, foster homes, residential facilities for groups, facilities for intermediate care, nursing homes, hospitals, schools, all buildings, except private residences, which are occupied for sleeping purposes, buildings used for public assembly and all other buildings where large numbers of persons work, live or congregate for any purpose. As used in this paragraph, "public assembly" means a building or a portion of a building used for the gathering together of 50 or more persons for purposes of deliberation, education, instruction, worship, entertainment, amusement or awaiting transportation, or the gathering together of 100 or more persons in establishments for drinking or dining.
- (d) The suppression and punishment of arson and fraudulent claims or practices in connection with fire losses.
- (e) Fireworks <del>[not used for the purposes of commercial display. The State</del> Fire Marshal shall not adopt any regulations pursuant to this paragraph that regulate:
  - (1) A device which contains:
  - (I) No magnesium; and
  - (II) Less than 100 grams of pyrotechnic composition;
  - (2) A match:
  - <del>- (3) An emergency signal flare;</del>
  - (4) A cap or other noisemaker:
  - (5) A model rocket; or
- (6) A smoke-emitting device that is used for the protection of a vehicle.

  (f) The types of fireworks that a local government may regulate. The types of fireworks that the State Fire Marshal may authorize a local government to
  - <del>(1) Comply with paragraph (e); and</del>
- (2) Be listed in section 3.1 of Standard 87 1, "Standard for Construction and Approval for Transportation of Fireworks, Novelties, and Theatrical Pyrotechnies," 2001 edition, adopted by the American Pyrotechnics Association, except the State Fire Marshal shall not authorize the types of fireworks listed in sections 3.1.2 and 3.1.3 of Standard 87-1.], including, without limitation, fireworks used for the purposes of commercial display, consumer fireworks and safe and sane fireworks. The State Fire Marshal shall:
- (1) Require fireworks sold, stored or used in this State to be certified by the American Fireworks Standards Laboratory and to be accompanied by evidence that the fireworks comply with the most recent edition of the Standards for Consumer Fireworks that is published by the American Fireworks Standards Laboratory; and
- (2) Adopt regulations to define the term "fireworks" for purposes of this paragraph and NRS 244.2961, 244.367, 266.310, 269.220, 474.160 and 474.470 and sections 3 and 7.5 of this act.
- Except as otherwise provided in subsection 12, the regulations of the State Fire Marshal apply throughout the State, but except with respect to

state-owned or state-occupied buildings, the State Fire Marshal's authority to enforce them or conduct investigations under this chapter does not extend to a school district except as otherwise provided in NRS 393.110, or a county whose population is 100,000 or more or which has been converted into a consolidated municipality, except in those local jurisdictions in those counties where the State Fire Marshal is requested to exercise that authority by the chief officer of the organized fire department of that jurisdiction or except as otherwise provided in a regulation adopted pursuant to paragraph (b) of subsection 2.

- 2. The State Fire Marshal may:
- (a) Set standards for equipment and appliances pertaining to fire safety or to be used for fire protection within this State, including the threads used on fire hose couplings and hydrant fittings. [; and]
- (b) Adopt regulations based on nationally recognized standards setting forth the requirements for fire departments to provide training to firefighters using techniques or exercises that involve the use of fire or any device that produces or may be used to produce fire.
- (c) Set standards for designating which types of fireworks and pyrotechnics are safe and sane fireworks. If the State Fire Marshal sets such standards, the State Fire Marshal may provide that the devices discussed under standards 101, 102, 103A, 104, 105, 106, 107, 111, 112, 114 and 115 of the Standards for Consumer Fireworks, 2019 edition, that is published by the American Fireworks Standards Laboratory are "safe and sane fireworks."
- (d) Enforce the provisions of this chapter, NRS 244.2961, 244.367, 266.310, 269.220, 474.160 and 474.470 and section 7.5 of this act as they relate to fireworks.
- 3. The State Fire Marshal shall cooperate with the State Forester Firewarden in the preparation of regulations relating to standards for fire retardant roofing materials pursuant to paragraph (e) of subsection 1 of NRS 472.040 and the mitigation of the risk of a fire hazard from vegetation in counties within or partially within the Lake Tahoe Basin and the Lake Mead Basin.
- 4. The State Fire Marshal shall cooperate with the Division of Child and Family Services of the Department of Health and Human Services in establishing reasonable minimum standards for overseeing the safety of and directing the means and adequacy of exit in case of fire from foster homes.
- 5. The State Fire Marshal shall coordinate all activities conducted pursuant to 15 U.S.C. §§ 2201 et seq. and receive and distribute money allocated by the United States pursuant to that act.
- 6. Except as otherwise provided in subsection 10, the State Fire Marshal shall:
- (a) Investigate any fire which occurs in a county other than one whose population is 100,000 or more or which has been converted into a consolidated municipality, and from which a death results or which is of a suspicious nature.

- (b) Investigate any fire which occurs in a county whose population is 100,000 or more or which has been converted into a consolidated municipality, and from which a death results or which is of a suspicious nature, if requested to do so by the chief officer of the fire department in whose jurisdiction the fire occurs.
- (c) Cooperate with the Commissioner of Insurance, the Attorney General and the Fraud Control Unit established pursuant to NRS 228.412 in any investigation of a fraudulent claim under an insurance policy for any fire of a suspicious nature.
- (d) Cooperate with any local fire department in the investigation of any report received pursuant to NRS 629.045.
- (e) Provide specialized training in investigating the causes of fires if requested to do so by the chief officer of an organized fire department.
- 7. The State Fire Marshal shall put the National Fire Incident Reporting System into effect throughout the State and publish at least annually a summary of data collected under the System.
- 8. The State Fire Marshal shall provide assistance and materials to local authorities, upon request, for the establishment of programs for public education and other fire prevention activities.
  - 9. The State Fire Marshal shall:
- (a) Except as otherwise provided in subsection 12 and NRS 393.110, assist in checking plans and specifications for construction;
  - (b) Provide specialized training to local fire departments; and
  - (c) Assist local governments in drafting regulations and ordinances,
- on request or as the State Fire Marshal deems necessary.
- 10. Except as otherwise provided in this subsection, in a county other than one whose population is 100,000 or more or which has been converted into a consolidated municipality, the State Fire Marshal shall, upon request by a local government, delegate to the local government by interlocal agreement all or a portion of the State Fire Marshal's authority or duties if the local government's personnel and programs are, as determined by the State Fire Marshal, equally qualified to perform those functions. If a local government fails to maintain the qualified personnel and programs in accordance with such an agreement, the State Fire Marshal shall revoke the agreement. The provisions of this subsection do not apply to the authority of the State Fire Marshal to adopt regulations pursuant to paragraph (b) of subsection 2.
- 11. The State Fire Marshal may, as a public safety officer or as a technical expert on issues relating to hazardous materials, participate in any local, state or federal team or task force that is established to conduct enforcement and interdiction activities involving:
  - (a) Commercial trucking;
  - (b) Environmental crimes;
  - (c) Explosives and pyrotechnics;
  - (d) Drugs or other controlled substances; or
  - (e) Any similar activity specified by the State Fire Marshal.

- 12. Except as otherwise provided in this subsection, any regulations of the State Fire Marshal concerning matters relating to building codes, including, without limitation, matters relating to the construction, maintenance or safety of buildings, structures and property in this State:
- (a) Do not apply in a county whose population is 700,000 or more which has adopted a code at least as stringent as the <u>International Fire Code</u> and the <u>International Building Code</u>, published by the International Code Council. To maintain the exemption from the applicability of the regulations of the State Fire Marshal pursuant to this subsection, the code of the county must be at least as stringent as the most recently published edition of the <u>International Fire Code</u> and the <u>International Building Code</u> within 1 year after publication of such an edition.
- (b) Apply in a county described in paragraph (a) with respect to state-owned or state-occupied buildings or public schools in the county and in those local jurisdictions in the county in which the State Fire Marshal is requested to exercise that authority by the chief executive officer of that jurisdiction. As used in this paragraph, "public school" has the meaning ascribed to it in NRS 385.007.
- 13. Any regulations of the State Fire Marshal concerning matters relating to fireworks and the provisions of section 3 of this act do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 14. As used in this section, {"pyrotechnic composition" means a combination of chemical elements or chemical compounds capable of burning independently of the oxygen in the atmosphere.} "safe and sane fireworks" are fireworks that are not dangerous.
  - Sec. 5. NRS 244.2961 is hereby amended to read as follows:
- 244.2961 1. The board of county commissioners may by ordinance create a district for a fire department. The board of county commissioners is ex officio the governing body of any district created pursuant to this section and may:
  - (a) Organize, regulate and maintain the fire department.
  - (b) Appoint and prescribe the duties of the fire chief.
  - (c) Designate arson investigators as peace officers.
- (d) Regulate or prohibit the storage of any explosive, combustible or inflammable material in or transported through the county, and prescribe the distance from any residential or commercial area where it may be kept. Any ordinance adopted pursuant to this paragraph that regulates places of employment where explosives are stored must be at least as stringent as the standards and procedures adopted by the Division of Industrial Relations of the Department of Business and Industry pursuant to NRS 618.890.
- (e) Establish, by ordinance, a fire code and other regulations necessary to carry out the purposes of this section.
  - (f) Include the budget of the district in the budget of the county.

- (g) Hold meetings of the governing body of the district in conjunction with the meetings of the board of county commissioners without posting additional notices of the meetings within the district.
- (h) Adopt ordinances prohibiting, restricting, suppressing or otherwise regulating the manufacture, sale, use, storage or possession of fireworks, and providing penalties for the violation thereof, if the ordinances are at least as stringent as the regulations that are adopted by the State Fire Marshal pursuant to chapter 477 of NRS.
- 2. Except as otherwise provided in subsection 6, if the fire department transports sick or injured persons to a medical facility, the board of county commissioners shall adopt an ordinance:
- (a) Requiring the fire department to defray the expenses of furnishing such transportation by imposing and collecting fees; and
  - (b) Establishing a schedule of such fees.
- 3. The board of county commissioners of a county whose population is 700,000 or more shall, when adopting an ordinance pursuant to subsection 2:
- (a) Limit the number of transports of sick or injured persons to a medical facility that may be made by the fire department to not more than 1,000 such transports per year, except that the fire department may, exclusive of the limit, make any such emergency transport that is necessary for the health or life of a sick or injured person when other ambulance services are not available; and
- (b) Require the fire department and all other ambulance services operating in the county to report to the board:
- (1) The total number of transports of sick or injured persons to a medical facility that are made each month; and
  - (2) For each transport reported pursuant to subparagraph (1):
    - (I) The fees charged to transport the person to a medical facility;
- (II) Whether the person had health insurance at the time of the transport; and
- (III) The name of the medical facility where the fire department or ambulance service transported the person to or from.
- 4. The other officers and employees of the county shall perform duties for the district that correspond to the duties they perform for the county.
- 5. All persons employed to perform the functions of the fire department are employees of the county for all purposes.
- 6. The provisions of subsection 2 do not apply to any county for which a nonprofit corporation has been granted an exclusive franchise for ambulance service in that county.
- 7. A person who sells, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of an ordinance adopted pursuant to paragraph (h) of subsection 1 shall reimburse the county for the direct and indirect costs incurred by the county to:
  - (a) Investigate any such violation;
- (b) Suppress a fire resulting from the sale, storage or use of such fireworks; and

- (c) Confiscate and dispose of such fireworks sold, stored or used in violation of the provisions of an ordinance adopted pursuant to paragraph (h) of subsection 1.
- 8. The county may institute a legal proceeding to enforce the provisions of an ordinance adopted pursuant to paragraph (h) of subsection 1 or the provisions of subsection 7.
- 9. Any ordinances adopted pursuant to this section and any provisions of this section concerning matters relating to fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 10. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
  - (1) *Labor*;
- (2) Equipment and materials;
- (3) Supervision of employees;
- (4) Supplies;
  - (5) *Tools*;
- (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the county pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.
  - Sec. 6. NRS 244.367 is hereby amended to read as follows:
- 244.367 1. The board of county commissioners [shall have power and jurisdiction] may adopt in their respective counties [to pass] ordinances prohibiting, restricting, suppressing or otherwise regulating the manufacture, sale, use, storage and possession of fireworks, and providing penalties for the violation thereof [.], if the ordinances are at least as stringent as the regulations that are adopted by the State Fire Marshal pursuant to chapter 477 of NRS.
- 2. An ordinance [passed] <u>adopted</u> pursuant to subsection 1 must provide that any license or permit that may be required for the sale of fireworks must be issued by the licensing authority for:
- (a) The county, if the fireworks are sold within the unincorporated areas of the county; or
- (b) A city located within the county, if the fireworks are sold within the jurisdiction of that city.
- 3. A person who sells, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of an ordinance adopted pursuant to subsection 1 shall reimburse the county for the direct and indirect costs incurred by the county to:

- (a) Investigate any such violation;
- (b) Suppress a fire resulting from the sale, storage or use of such fireworks; and
- (c) Confiscate and dispose of such fireworks sold, stored or used in violation of the provisions of an ordinance adopted pursuant to subsection 1.
- 4. The county may institute a legal proceeding to enforce the provisions of an ordinance adopted pursuant to subsection 1 or the provisions of subsection 3.
- 5. Any ordinances adopted pursuant to this section and any provisions of this section concerning matters relating to fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 6. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
  - (1) Labor;
- (2) Equipment and materials;
- (3) Supervision of employees;
- (4) Supplies;
- (5) *Tools*;
- (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the county pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.
- Sec. 7. NRS 266.310 is hereby amended to read as follows:
- 266.310  $\underline{1}$ . The city council may:
- [1.] (a) Organize, regulate and maintain a fire department.
- [2.] (b) Prescribe the duties of the fire chief.
- [3.] (c) Designate arson investigators as peace officers.
- [4-] (d) Regulate or prohibit the storage of any explosive, combustible or inflammable material in or transported through the city, and prescribe the distance from any residential or commercial area where it may be kept. Any ordinance adopted pursuant to this subsection that regulates places of employment where explosives are stored must be at least as stringent as the standards and procedures adopted by the Division of Industrial Relations of the Department of Business and Industry pursuant to NRS 618.890.
- [5.] (e) Establish, by ordinance, a fire code and other regulations necessary to carry out the purposes of this section.
- [6.] (f) Adopt ordinances prohibiting, restricting, suppressing or otherwise regulating the manufacture, sale, use, storage or possession of fireworks, and providing penalties for the violation thereof, if the ordinances are at least as

stringent as the regulations that are adopted by the State Fire Marshal pursuant to chapter 477 of NRS.

- 2. A person who sells, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of an ordinance adopted pursuant to paragraph (f) of subsection 1 shall reimburse the city for the direct and indirect costs incurred by the city to:
- (a) Investigate any such violation;
- (b) Suppress a fire resulting from the sale, storage or use of such fireworks; and
- (c) Confiscate and dispose of such fireworks sold, stored or used in violation of the provisions of an ordinance adopted pursuant to paragraph (f) of subsection 1.
- 3. The city may institute a legal proceeding to enforce the provisions of an ordinance adopted pursuant to paragraph (f) of subsection 1 or the provisions of subsection 2.
- 4. Any ordinances adopted pursuant to this section and any provisions of this section concerning matters relating to fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 5. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
  - (1) *Labor*;
- (2) Equipment and materials;
  - (3) Supervision of employees;
- (4) Supplies;
- (5) *Tools*;
- (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the city pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.
- *Sec.* 7.5. Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The governing body of an incorporated city may adopt ordinances prohibiting, restricting, suppressing or otherwise regulating the manufacture, sale, use, storage or possession of fireworks, and providing penalties for the violation thereof, if the ordinances are at least as stringent as the regulations that are adopted by the State Fire Marshal pursuant to chapter 477 of NRS.
- 2. A person who sells, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of an ordinance adopted pursuant

- to subsection 1 shall reimburse the city for the direct and indirect costs incurred by the city to:
- (a) Investigate any such violation;
- (b) Suppress a fire resulting from the sale, storage or use of such fireworks; and
- (c) Confiscate and dispose of such fireworks sold, stored or used in violation of the provisions of an ordinance adopted pursuant to subsection 1.
- 3. The city may institute a legal proceeding to enforce the provisions of this section.
- 4. Any ordinances adopted pursuant to this section and any provisions of this section concerning matters relating to fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 5. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
- (1) *Labor*;
- (2) Equipment and materials;
- (3) Supervision of employees;
- (4) Supplies;
- (5) *Tools*;
- (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the city pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.
  - Sec. 8. NRS 269.220 is hereby amended to read as follows:
- 269.220 *1*. In addition to the powers and jurisdiction conferred by other laws, the town board or board of county commissioners may regulate [the]:
- (a) The storage of gunpowder and other explosive or combustible materials [-]; and
- (b) The manufacture, sale, use, storage and possession of fireworks, and provide penalties for the violation thereof, if such regulations are at least as stringent as the regulations that are adopted by the State Fire Marshal pursuant to chapter 477 of NRS.
- 2. Any ordinance adopted pursuant to this section that regulates places of employment where explosives are stored must be at least as stringent as the standards and procedures adopted by the Division of Industrial Relations of the Department of Business and Industry pursuant to NRS 618.890.
- 3. A person who sells, stores or uses fireworks, including fireworks for the purposes of commercial display, in violation of an ordinance adopted pursuant

to paragraph (b) of subsection 1 shall reimburse the town or county for the direct and indirect costs incurred by the town or county to:

- (a) Investigate any such violation;
- (b) Suppress a fire resulting from the sale, storage or use of such fireworks; and
- (c) Confiscate and dispose of such fireworks sold, stored or used in violation of the provisions of an ordinance adopted pursuant to paragraph (b) of subsection 1.
- 4. The town or county may institute a legal proceeding to enforce the provisions of paragraph (b) of subsection 1 or the provisions of subsection 3.
- 5. Any ordinances adopted pursuant to this section and any provisions of this section concerning matters relating to fireworks do not apply to and do not prohibit the manufacture of fireworks for, or the transportation or sale of fireworks to, Indian reservations and Indian colonies.
- 6. As used in this section:
- (a) "Direct and indirect costs" includes, without limitation, costs for:
  - (1) *Labor*;
- (2) Equipment and materials;
  - (3) Supervision of employees;
- (4) Supplies;
- (5) *Tools*;
- (6) Transportation;
- (7) General and administrative expenses;
- (8) Allocable benefits for employees;
- (9) Amounts owed by the town or city pursuant to a mutual aid agreement, interlocal agreement, interstate compact or other agreement to provide fire-fighting support, investigation, enforcement or aid; and
  - (10) Any other related expenses.
- (b) "Fireworks" has the meaning ascribed to it by regulations adopted by the State Fire Marshal pursuant to NRS 477.030.
- Sec. 9. 1. This section and section 4 of this act become effective upon passage and approval.
- 2. Sections 1, 2, 3 and 5 to 8, inclusive, of this act become effective on October 1, 2019.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 574 to Senate Bill No. 338 revises the duties of the State Fire Marshal related to the regulation of fireworks. It also expands the requirement that a person who stores or uses fireworks in violation of certain regulations or ordinances reimburse not only the State Fire Marshal, but also certain other governmental entities for certain costs resulting from such a violation.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 346.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 325.

SUMMARY—Revises provisions related to marijuana. (BDR <del>[43-1065)]</del> 40-1065)

AN ACT relating to marijuana; frevising provisions relating to prohibited aets] requiring the Department of Taxation to collect certain demographic information concerning [the use of] marijuana [and the operation of a vehicle or vessel; requiring the Nevada Commission on Minority Affairs to conduct a study establishments and medical marijuana establishments; authorizing an independent contractor to enter into a contract with a marijuana establishment or medical marijuana establishment to provide certain training; providing for the certification of emerging small marijuana businesses by the Office of Economic Development; requiring the Office to establish the Center for Emerging Small Marijuana Business Advocacy and Services; requiring the Office to analyze certain information and prepare an annual report relating to disparities and unlawful discrimination in the licensure of marijuana establishments and medical marijuana establishments; <del>[directing the</del> Legislative Commission to appoint a committee to conduct an interim study relating to marijuana and the levels of intoxication established by the laws of this State: and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the Fissuance of registry identification eards for persons who wish to engage in the medical use of licensure or registration of marijuana <del>[. Existing law exempts a person who holds a valid registry</del> identification card from state prosecution for the use, possession, delivery and production of marijuana, (NRS 453A 200, 453A 210, 453A 220) Existing law provides that it is unlawful for any person to drive or be in actual physical control of a vehicle on a highway or on premises to which the public has access with an amount of marijuana or marijuana metabolite in his or her blood that is equal to or greater than 2 nanograms per milliliter or 5 nanograms per milliliter, respectively. (NRS 484C.110) Section 3 of this bill raises this limit for a person who is a holder of a valid registry identification card to 100 nanograms per milliliter for both marijuana and marijuana metabolite.] establishments, medical marijuana establishments and medical marijuana establishment agents by the Department of Taxation. (Chapters 453A and 453D of NRS) Sections [4 and 7] 2 and 6 of this bill [make the same changes to similar provisions of existing law relating to a person driving or being in actual physical control of a commercial motor vehicle on a highway or on promises to which the public has access or operating or being in actual physical

control of a vessel under power or sail on the waters of this State, respectively. Sections 5, 6 and 8-17 of this bill make conforming changes.

Existing law creates the Nevada Commission on Minority Affairs and requires the Commission, among other requirements, to study matters affecting the social and economic welfare and well being of minorities residing in the State of Nevada. (NRS 232.852, 232.860) Section 18 of this bill requires the Commission to conduct a study] require the Department to gather and maintain comprehensive demographic information about owners and agents of each marijuana establishment and medical marijuana establishment and certain similar persons and transmit this information to the Office of Economic Development. Section 18 of this bill requires the Office to: (1) analyze this information to determine whether and to what extent disparities and unlawful discrimination exist with respect to the licensure of marijuana establishments and medical marijuana establishments and to employment in professions related to the marijuana industry.

Section 19 of this bill directs the Legislative Commission to appoint a committee to conduct an interim study concerning issues relating to marijuana and the levels of intoxication established by the laws of this State. The study must generally include a review of the laws of this State related to intoxication and a determination of how those laws could be amended to accurately determine the level of intoxication of a person who engages in the lawful use of marijuana.]; and (2) submit an annual report to the Governor and the Legislature detailing such information.

Sections 3 and 7 of this bill authorize an independent contractor to enter into a contract to provide training to medical marijuana establishment agents or agents of a marijuana establishment. Sections 3 and 7 require such an independent contractor to submit a plan to the Department describing the manner in which such training will be conducted.

Existing law creates the Office of Economic Development within the Office of the Governor to coordinate and oversee economic development programs in this State. (NRS 231.043, 231.055) Sections 8-15 and 17 of this bill: (1) provide for the certification of eligible emerging small marijuana businesses by the Office; (2) require the Office to post a list of the emerging small marijuana businesses on its Internet website; and (3) require the Office to adopt regulations, including regulations relating to the application form and procedure for that certification.

Section 16 of this bill requires the Executive Director of the Office of Economic Development to establish within the Office the Center for Emerging Small Marijuana Business Advocacy and Services for the purposes of: (1) assisting emerging small marijuana businesses obtain information relating to financing; (2) increasing public awareness of and advocating for marijuana-related businesses; (3) establishing an information and referral service to respond to inquiries from emerging small marijuana businesses; and (4) advising the Executive Director on certain matters relating to the marijuana industry.

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

Delete existing sections 1 through 19 of this bill and replace with the following new sections 1 through 20:

- Section 1. Chapter 453A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. <u>1. The Department shall gather and maintain comprehensive</u> <u>demographic information, including, without limitation, information regarding race, ethnicity, age and gender, concerning each:</u>
- (a) Owner and manager of a medical marijuana establishment.
- (b) Holder of a medical marijuana establishment agent registration card who volunteers or works at, contracts to provide labor to or is employed by an independent contractor to provide labor to a medical marijuana establishment.
- <u>(c) Applicant for a medical marijuana establishment registration</u> <u>certificate.</u>
- (d) Applicant for a business license, permit or any other approval required to operate a medical marijuana establishment.
- 2. The Department shall transmit to the Office of Economic Development in a manner prescribed by the Office the information gathered and maintained pursuant to subsection 1.
- Sec. 3. 1. An independent contractor, including, without limitation, an educational institution, nonprofit organization or labor organization, may enter into a contract with a medical marijuana establishment to provide training to the medical marijuana establishment agents who volunteer or work at, contract to provide labor to or are employed by an independent contractor to provide labor to the medical marijuana establishment.
- 2. The Department shall issue to an independent contractor who wishes to provide training as described in subsection 1 a medical marijuana establishment agent registration card if:
- (a) The independent contractor submits to the Department an organized, written plan describing the manner in which the independent contractor will conduct the training which has been agreed to by the independent contractor and the medical marijuana establishment; and
- (b) The independent contractor satisfies the requirements of 453A.332.
- Sec. 4. NRS 453A.370 is hereby amended to read as follows:
- 453A.370 The Department shall adopt such regulations as it determines to be necessary or advisable to carry out the provisions of NRS 453A.320 to 453A.370, inclusive [+], *and sections 2 and 3 of this act.* Such regulations are in addition to any requirements set forth in statute and must, without limitation:
- 1. Prescribe the form and any additional required content of registration and renewal applications submitted pursuant to NRS 453A.322 and 453A.332.
- 2. Set forth rules pertaining to the safe and healthful operation of medical marijuana establishments, including, without limitation:

- (a) The manner of protecting against diversion and theft without imposing an undue burden on medical marijuana establishments or compromising the confidentiality of the holders of registry identification cards and letters of approval.
- (b) Minimum requirements for the oversight of medical marijuana establishments.
- (c) Minimum requirements for the keeping of records by medical marijuana establishments.
- (d) Provisions for the security of medical marijuana establishments, including, without limitation, requirements for the protection by a fully operational security alarm system of each medical marijuana establishment.
- (e) Procedures pursuant to which medical marijuana dispensaries must use the services of an independent testing laboratory to ensure that any marijuana, edible marijuana products and marijuana-infused products sold by the dispensaries to end users are tested for content, quality and potency in accordance with standards established by the Department.
- (f) Procedures pursuant to which a medical marijuana dispensary will be notified by the Department if a patient who holds a valid registry identification card or letter of approval has chosen the dispensary as his or her designated medical marijuana dispensary, as described in NRS 453A.366.
- (g) Minimum requirements for industrial hemp, as defined in NRS 557.160, which is used by a facility for the production of edible marijuana products or marijuana-infused products to manufacture edible marijuana products or marijuana-infused products or dispensed by a medical marijuana dispensary.
- 3. Establish circumstances and procedures pursuant to which the maximum fees set forth in NRS 453A.344 may be reduced over time to ensure that the fees imposed pursuant to NRS 453A.344 are, insofar as may be practicable, revenue neutral.
- 4. Set forth the amount of usable marijuana that a medical marijuana dispensary may dispense to a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver, in any one 14-day period. Such an amount must not exceed the limits set forth in NRS 453A.200.
- 5. As far as possible while maintaining accountability, protect the identity and personal identifying information of each person who receives, facilitates or delivers services in accordance with this chapter.
- 6. In cooperation with the applicable professional licensing boards, establish a system to:
- (a) Register and track attending providers of health care who advise their patients that the medical use of marijuana may mitigate the symptoms or effects of the patient's medical condition;
- (b) Insofar as is possible, track and quantify the number of times an attending provider of health care described in paragraph (a) makes such an advisement; and

- (c) Provide for the progressive discipline of attending providers of health care who advise the medical use of marijuana at a rate at which the Department, in consultation with the Division, and applicable board determine and agree to be unreasonably high.
- 7. Establish different categories of medical marijuana establishment agent registration cards, including, without limitation, criteria for training and certification, for each of the different types of medical marijuana establishments at which such an agent may be employed or volunteer or provide labor as a medical marijuana establishment agent.
- 8. Provide for the maintenance of a log by the Department, in consultation with the Division, of each person who is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200. The Department shall ensure that the contents of the log are available for verification by law enforcement personnel 24 hours a day.
- 9. Determine whether any provision of NRS 453A.350 or 453A.352 would make the operation of a medical marijuana establishment or marijuana establishment, as defined in NRS 453D.030, by a dual licensee, as defined in NRS 453D.030, unreasonably impracticable, as defined in NRS 453D.030.
- 10. Address such other matters as may assist in implementing the program of dispensation contemplated by NRS 453A.320 to 453A.370, inclusive <u>++</u>, <u>and sections 2 and 3 of this act.</u>
- Sec. 5. Chapter 453D of NRS is hereby amended by adding thereto the provisions set forth as sections 6 and 7 of this act.
- Sec. 6. <u>1. The Department shall gather and maintain comprehensive</u> demographic information, including, without limitation, information regarding race, ethnicity, age and gender, concerning each:
- (a) Owner and manager of a marijuana establishment.
- (b) Agent of a marijuana establishment who volunteers or works at, contracts to provide labor to or is employed by an independent contractor to provide labor to a marijuana establishment.
- (c) Applicant for a license to operate a marijuana establishment.
- (d) Applicant for a business license, permit or any other approval required to operate a marijuana establishment.
- 2. The Department shall transmit to the Office of Economic Development in a manner prescribed by the Office the information gathered and maintained pursuant to subsection 1.
- Sec. 7. An independent contractor, including, without limitation, an educational institution, nonprofit organization or labor organization, may enter into a contract with a marijuana establishment to provide training to the agents of a marijuana establishment who volunteer or work at, contract to provide labor to or are employed by an independent contractor to provide labor to the marijuana establishment if:
- 1. The independent contractor submits to the Department an organized, written plan describing the manner in which the independent contractor will

- conduct the training which has been agreed to by the independent contractor and the medical marijuana establishment; and
- 2. The independent contractor satisfies any other requirements prescribed by the Department.
- Sec. 8. Chapter 231 of NRS is hereby amended by adding thereto the provisions set forth as sections 9 to 18, inclusive, of this act.
- Sec. 9. <u>As used in sections 9 to 17, inclusive, of this act unless the context otherwise requires, the words and terms defined in sections 10, 11 and 12 of this act have the meanings ascribed to them in those sections.</u>
- Sec. 10. <u>"Emerging small marijuana business" means a marijuana establishment or medical marijuana establishment that has been certified by the Office pursuant to section 15 of this act.</u>
- Sec. 11. "Marijuana establishment" has the meaning ascribed to it in NRS 453D.030.
- Sec. 12. "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.
- Sec. 13. <u>1. To be eligible for certification as an emerging small marijuana business, a marijuana establishment or medical marijuana establishment must:</u>
- (a) Be in existence, operational and operated for a profit;
- (b) Maintain its principal place of business in this State;
- (c) Be in compliance with all applicable licensing and registration requirements in this State;
- (d) Not be a subsidiary or parent company belonging to a group of firms that are owned or controlled by the same persons if, in the aggregate, the group of firms does not qualify pursuant to subsection 2 or 3 for designation as a tier 1 firm or a tier 2 firm; and
- (e) Qualify pursuant to subsection 2 or 3 for designation as a tier 1 firm or a tier 2 firm.
- 2. To be designated a tier 1 firm, a marijuana establishment or medical marijuana establishment:
- <u>(a) Must not employ more than 20 full-time or full-time equivalent</u> employees; and
- (b) The average annual gross receipts for the marijuana establishment or medical marijuana establishment must not exceed \$700,000 for the 3 years immediately preceding the date of application for certification as an emerging small marijuana business.
- 3. To be designated a tier 2 firm, a marijuana establishment or medical marijuana establishment:
- (a) Must not employ more than 30 full-time or full-time equivalent employees; and
- (b) The average annual gross receipts for the marijuana establishment or medical marijuana establishment must not exceed \$1.3 million for the 3 years immediately preceding the date of application for certification as an emerging small marijuana business.

- 4. In determining if a marijuana establishment or medical marijuana establishment qualifies for a designation as a tier 1 firm or a tier 2 firm pursuant to subsection 2 or 3, the Office shall use the criteria set forth in section 14 of this act to determine whether an employee is a full-time equivalent employee for the purposes of such a designation.
- Sec. 14. <u>To determine whether an employee is a full-time equivalent employee pursuant to section 13 of this act:</u>
- 1. An owner of a marijuana establishment or medical marijuana establishment applying for certification as an emerging small marijuana business must not be considered a full-time equivalent employee;
- 2. The period during which the full-time equivalency of an employee is determined must be based on the same period as the tax year for the marijuana establishment or medical marijuana establishment applying for certification as an emerging small marijuana business; and
- 3. The hours worked by part-time and seasonal employees must be converted into full-time equivalent hours by dividing by 2,080 the total hours worked for the marijuana establishment or medical marijuana establishment applying for certification by all part-time and seasonal employees.
- Sec. 15. 1. A marijuana establishment or medical marijuana establishment may apply, on a form prescribed by regulation of the Office, to the Office for certification as an emerging small marijuana business. The application must be accompanied by such proof as the Office requires to demonstrate that the applicant is in compliance with the criteria set forth in section 13 of this act and any regulations adopted pursuant to section 17 of this act.
- 2. Upon receipt of the application and when satisfied that the applicant meets the requirements set forth in this section, section 13 of this act, and any regulations adopted pursuant to section 17 of this act, the Office shall:
- (a) Certify the marijuana establishment or medical marijuana establishment as an emerging small marijuana business; and
- (b) Provide to the marijuana establishment or medical marijuana establishment, in written or electronic form, information concerning public and private programs to provide financing for small businesses that are applicable to an emerging small marijuana business and criteria for obtaining financing through such programs.
- 3. The Office shall compile a list of the emerging small marijuana businesses certified pursuant to this section and post the list on its Internet website.
- Sec. 16. <u>The Executive Director shall establish within the Office, the Center for Emerging Small Marijuana Business Advocacy and Services:</u>
- 1. To assist emerging small marijuana businesses in obtaining information about financing and other basic resources which are necessary for success;

- 2. To increase public awareness of the importance of developing the marijuana industry in this State and encouraging public support for marijuana establishments and medical marijuana establishments;
- 3. To serve as an advocate for emerging small marijuana businesses, subject to the supervision of the Executive Director or his or her representative, both within and outside the Office:
- 4. To establish an information and referral service within the Office that is responsive to the inquiries of emerging small marijuana businesses which are directed to the Office or any entity within the Office; and
- 5. To advise the Executive Director in developing and improving programs of the Office to serve more effectively and support the growth, development and diversification of the marijuana industry in this State.
- Sec. 17. <u>1. The Office shall adopt regulations prescribing the application form and procedure for certification as an emerging small marijuana business.</u>
- 2. The Office may adopt regulations to carry out the provisions of sections 9 to 17, inclusive, of this act.
- Sec. 18. <u>1. The Office shall annually analyze the information submitted to the Office pursuant to sections 2 and 6 of this act to determine whether and to what extent disparities and unlawful discrimination exist with respect to:</u>
- <u>(a) The licensure of marijuana establishments and medical marijuana</u> establishments; and
- (b) Employment in professions related to the marijuana industry, including, without limitation, medical marijuana establishment agents and agents of marijuana establishments.
- 2. On or before January 31 of each year, the Office shall submit to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the Legislature a report detailing the analysis of the Office pursuant to subsection 1.
- 3. As used in this section:
- <u>(a) "Marijuana establishment" has the meaning ascribed to it in</u> NRS 453D.030.
- (b) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.
- (c) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.
- Sec. 19. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
- Sec. 20. 1. This section and sections 8 to 17, inclusive, and section 19 of this act become effective:
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and
- (b) On October 1, 2019, for all other purposes.

# 2. Sections 1 to 7, inclusive, and section 18 of this act become effective on January 2, 2020.

Senator Cancela moved the adoption of the amendment.

Remarks by Senators Cancela and Kieckhefer.

#### SENATOR CANCELA:

Amendment No. 325 makes seven changes to Senate Bill No. 346. It deletes the requirement of the Nevada Commission on Minority Affairs to perform a disparity study relating to the marijuana industry; creates a certification for "emerging small marijuana businesses," similar to the certification for local emerging small businesses in NRS 231.1402 to 231.1408, inclusive; requires the Governor's Office of Economic Development to create a center to provide support and advocacy for emerging small marijuana businesses, similar to the support and advocacy provided to small businesses by the Center for Business Advocacy and Services of the Office of Business Finance and Planning of the Department of Business and Industry; requires the Department of Taxation to collect comprehensive demographic information on ownership and management of workforce, applicants for licenses and applicants for local business licenses or permits to operate a marijuana establishment or medical-marijuana establishment; requires the Department of Taxation to transmit the information noted in the previous amendment to the Governor's Office of Economic Development; requires the Governor's Office of Economic Development to perform an analysis on the information to determine whether and to what extent disparities and unlawful discrimination exist with respect to the marijuana industry; deletes provisions of the bill which revise the threshold for the amount of marijuana or marijuana metabolite in the blood before a person is considered to be unlawfully driving a vehicle or operating a vessel under the influence and requires the performance of an interim study concerning issues relating to marijuana and the levels of intoxication established by the laws of this State.

Finally, it adds provisions to chapter 453, "Controlled Substances," and chapter 453A, "Medical Use of Marijuana," of NRS which authorize an independent contractor who wishes to provide training to the workforce of a medical-marijuana establishment or marijuana establishment to enter into a contract with an establishment to provide such training and authorizes the issuance of the appropriate marijuana-agent registration card to such an independent contractor upon submission to the Department of Taxation of an organized, written plan embodying the manner in which the independent contractor will provide training to the workforce of a medical-marijuana establishment or marijuana establishment which has been agreed to by the independent contractor and the establishment and provides an independent contractor who provides training to a medical-marijuana establishment or marijuana establishment may include, without limitation, any educational institution, nonprofit organization or labor organization.

#### SENATOR KIECKHEFER:

Do existing licensees for both medical and nonmedical marijuana establishments currently have to disclose such detail, the demographic information, during their application process? If not, how will the Department go about gathering this information from all of our licensees?

### SENATOR CANCELA:

To my colleague from Senate District No. 16, I am not familiar will all of the information licensees need to provide on their application; I do not want to speak to that specifically. The intent of the bill is to capture the information, theoretically requiring the information be disclosed in the future even if it is not disclosed today

Conflict of interest declared by Senator Ohrenschall.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

### MOTIONS, RESOLUTIONS AND NOTICES

Senator Parks moved that Senate Bill No. 355 be taken from the Second Reading File and placed on the Secretary's desk.

Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 371.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 189.

SUMMARY—Revises provisions relating to maintenance of manufactured home parks and repairs of manufactured homes. (BDR 10-303)

AN ACT relating to manufactured homes; revising requirements relating to the maintenance of a manufactured home park or repair of a manufactured home in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires most repairs performed on a manufactured home to be performed by a person licensed to make such repairs. (NRS 118B.097) Section 2 of this bill authorizes, under the same circumstances, a person to perform such repairs without obtaining a license [...] and for complaints to be filed with the State Contractors' Board.

Sections 3-5 of this bill make conforming changes.

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

Section 1. NRS 118B.090 is hereby amended to read as follows: 118B.090 1. The landlord shall:

- (a) Maintain all common areas of the park in a clean and safe condition;
- (b) Maintain in good working order all electrical, plumbing and sanitary facilities, appliances and recreational facilities which the landlord furnishes;
- (c) Maintain in a safe and secure location individual mail boxes for the tenants if the mail is delivered to the landlord for distribution to the tenants;

- (d) Maintain all driveways within the park and sidewalks adjacent to the street: and
- (e) Remove snow from the sidewalks and streets within the park, and from sidewalks adjacent to the street.
- 2. Except as otherwise provided in this subsection, the maintenance required by paragraph (a) of subsection 1 includes maintaining, in good working order, any aboveground or underground utility service apparatus located on each manufactured home lot, up to the disconnection point, which is not an appurtenance of the manufactured home. Maintenance is not required on any such apparatus that has been damaged by the tenant of the manufactured home lot.
- 3. [Any] Except as otherwise provided in subsections 4 and 5, any maintenance [to a utility service apparatus, as] described in [subsection 2,] this section may be performed legally only by a person who is qualified by licensure pursuant to chapter 489 of NRS to perform such maintenance, and:
- (a) A person shall not perform the maintenance unless the person has such qualifications; and
- (b) The landlord, or his or her agent or employee, shall not employ a third party to perform the maintenance if he or she knows, or in light of all of the surrounding facts and circumstances reasonably should know, that the third party does not have such qualifications.
- 4. A person may perform any maintenance described in this section without obtaining a license pursuant to chapter 489 of NRS if:
- (a) The maintenance does not affect the <u>fuel systems or structural systems</u> of a manufactured home; and
- (b) The person performing the maintenance is appropriately licensed pursuant to chapter 624 of NRS.
- 5. A person may perform any maintenance described in this section without obtaining a license pursuant to chapter 489 or 624 of NRS if:
- (a) The maintenance does not affect the <u>fuel systems or structural systems</u> of a manufactured home;
- (b) The maintenance does not require a permit before the maintenance may be performed; and
- (c) The <u>value of the maintenance is less than \$1,000 and the provisions of</u> chapter 624 of NRS do not require the person to be licensed pursuant to chapter 624 of NRS to perform the maintenance.
- 6. Any complaint concerning maintenance performed pursuant to this section by a person licensed pursuant to chapter 624 of NRS:
- (a) May be filed with the State Contractors' Board; and
- (b) If received by the Administrator or the Division, may be forwarded by the Administrator or the Division, as applicable, to the State Contractors' Board.
  - Sec. 2. NRS 118B.097 is hereby amended to read as follows:
- 118B.097 1. [If a] Except as otherwise provided in subsections 2 and 3, any repair to a manufactured home, including, without limitation, any repair

which may affect the structural, electrical, plumbing, drainage, roofing, mechanical or solid fuel burning systems of the home, or requires a permit before the repair may be [made, the repair] performed, may be performed legally only by a person who is qualified by licensure pursuant to chapter 489 of NRS to perform such a repair, and:

- (a) A person shall not perform the repair unless the person has such qualifications; and
- (b) A tenant or a landlord, or his or her agent or employee, shall not employ a third party to perform the repair if he or she knows or, in light of all the surrounding facts and circumstances, reasonably should know that the third party does not have such qualifications.
- 2. The Administrator shall adopt regulations to specify the repairs that a person without an applicable license may make to a manufactured home in accordance with the provisions of this section and chapter 489 of NRS.
- <u>3.</u> A person may perform any repair described in this section without obtaining a license pursuant to chapter 489 of NRS if:
- (a) The repair does not affect the <u>fuel systems or structural systems of the</u> manufactured home; and
- (b) The person performing the repair is appropriately licensed pursuant to chapter 624 of NRS.
- [3.] 4. A person may perform any repair described in this section without obtaining a license pursuant to chapter 489 or 624 of NRS if:
- (a) The repair does not affect the <u>fuel systems or structural systems of the</u> manufactured home;
- (b) The repair does not require a permit before the repair may be performed; and
- (c) The <u>value of the maintenance is less than \$1,000 and the provisions of</u> chapter 624 of NRS do not require the person to be licensed pursuant to chapter 624 of NRS to perform the repair.
- 5. Any complaint concerning any repair performed pursuant to this section by a person licensed pursuant to chapter 624 of NRS:
- (a) May be filed with the State Contractors' Board; and
- (b) If received by the Administrator or the Division, may be forwarded by the Administrator or the Division, as applicable, to the State Contractors' Board.
- Sec. 3. NRS 624.215 is hereby amended to read as follows:
- 624.215 1. For the purpose of classification, the contracting business includes the following branches:
  - (a) General engineering contracting.
  - (b) General building contracting.
  - (c) Specialty contracting.
- General engineering contracting and general building contracting are mutually exclusive branches.
- 2. A general engineering contractor is a contractor whose principal contracting business is in connection with fixed works, including irrigation,

drainage, water supply, water power, flood control, harbors, railroads, highways, tunnels, airports and airways, sewers and sewage disposal systems, bridges, inland waterways, pipelines for transmission of petroleum and other liquid or gaseous substances, refineries, chemical plants and industrial plants requiring a specialized engineering knowledge and skill, power plants, piers and foundations and structures or work incidental thereto.

- 3. A general building contractor is a contractor whose principal contracting business is in connection with the construction or remodeling of buildings or structures for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind, requiring in their construction the use of more than two unrelated building trades or crafts, upon which he or she is a prime contractor and where the construction or remodeling of a building is the primary purpose. Unless he or she holds the appropriate specialty license, a general building contractor may only contract to perform specialty contracting if he or she is a prime contractor on a project. A general building contractor shall not perform specialty contracting in plumbing, electrical, refrigeration and air-conditioning or fire protection without a license for the specialty. A person who is licensed pursuant to chapter 489 of NRS and who exclusively constructs or repairs mobile homes, manufactured homes or commercial coaches is not a general building contractor.
- 4. A specialty contractor is a contractor whose operations as such are the performance of construction work requiring special skill and whose principal contracting business involves the use of specialized building trades or crafts.
- 5. This section does not prevent the Board from establishing, broadening, limiting or otherwise effectuating classifications in a manner consistent with established custom, usage and procedure found in the building trades. The Board is specifically prohibited from establishing classifications in such a manner as to determine or limit craft jurisdictions.
  - Sec. 4. NRS 624.284 is hereby amended to read as follows:
- 624.284 [A] Except as otherwise provided in subsection 4 of NRS 118B.090 or subsection 2 of 118B.097, a contractor's license issued pursuant to this chapter does not authorize a contractor to construct or repair a mobile home, manufactured home, manufactured building or commercial coach or factory-built housing.
  - Sec. 5. NRS 624.3015 is hereby amended to read as follows:
- 624.3015 The following acts, among others, constitute cause for disciplinary action under NRS 624.300:
  - 1. Acting in the capacity of a contractor beyond the scope of the license.
- 2. Bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the Board.
- 3. Knowingly bidding to contract or entering into a contract with a contractor for work in excess of his or her limit or beyond the scope of his or her license.
- 4. Knowingly entering into a contract with a contractor while that contractor is not licensed.

- 5. Constructing or repairing a mobile home, manufactured home, manufactured building or commercial coach or factory-built housing unless the contractor:
  - (a) Is licensed pursuant to NRS 489.311; [or]
- (b) Owns, leases or rents the mobile home, manufactured home, manufactured building, commercial coach or factory-built housing  $\frac{[.]}{[.]}$ ; or
- (c) Is authorized to perform the work pursuant to subsection 4 of NRS 118B.090 or subsection 2 of 118B.097.
- 6. Engaging in any work or activities that require a contractor's license while the license is placed on inactive status pursuant to NRS 624.282.
  - Sec. 6. This act becomes effective on July 1, 2019.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 189 makes three changes to Senate Bill No. 371. The amendment amends section 2 to retain language requiring the Housing Division of the Department of Business and Industry to adopt regulations specifying the repairs a person without an applicable license may make to a manufactured home; amends the bill to limit to \$1,000 or less, the work a nonemployee handyman can perform to maintain property in a manufactured home park; and amends the bill to prohibit a person licensed by the State Contractors' Board from performing work to fuel systems, and provides any complaint concerning a person licensed by the Board may be filed or forwarded to the Board.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 378.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 275.

SUMMARY—Revises provisions relating to the pricing of prescription drugs. (BDR 40-574)

AN ACT relating to prescription drugs; establishing the Prescription Drug Affordability Board and the Prescription Drug Affordability Stakeholder Council; imposing certain requirements to prevent conflicts of interest involving a member of the Board; authorizing the Board to employ certain persons; [requiring the Board to impose an assessment on manufacturers of prescription drugs;] authorizing the Board to review the prices of certain prescription drugs; providing for the confidentiality of certain information [used in such a review;] obtained by the Board; authorizing the Board to prescribe an upper payment limit for the purchase by a governmental entity of a prescription drug that meets certain requirements after such a review; authorizing written appeals to the Board; requiring the Board to submit an annual report to the Legislature; revising provisions concerning coverage of prescription drugs under Medicaid and the Children's Health Insurance Program; authorizing certain public and nonprofit insurers to use the preferred

prescription drug list for Medicaid as their formulary; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a manufacturer of prescription drugs to report certain information relating to the prices of drugs determined by the Department of Health and Human Services to be essential for treating diabetes in this State. (NRS 439B.635-439B.645) Existing law requires the Department to annually analyze that information and compile a report concerning the price of those drugs. (NRS 439B.650) Section 12 of this bill establishes the Prescription Drug Affordability Board and provides for the appointment of regular and alternate members of the Board. Section 12: (1) requires each such member to have expertise in the economics of health care or the practice of clinical medicine; and (2) prohibits a member of the board from holding certain positions with a manufacturer, pharmacy benefit manager, health carrier or wholesaler or a trade association of <del>[manufacturers.]</del> such entities. Section 13 of this bill prescribes requirements governing the procedure of the Board. Section 13 additionally requires a member of the Board to recuse himself or herself from certain decisions and prohibits a member of the Board from accepting certain financial benefits, gifts or donations. Sections 12 and 13 require the disclosure and publication of certain information concerning a conflict of interest involving a member of the Board. Section 14 of this bill provides for the appointment of an Executive Director, a General Counsel and other employees of the Board. Section 13 prohibits an employee of the Board from accepting certain gifts and donations. Section 15 of this bill establishes the Prescription Drug Affordability Stakeholder Council and prescribes the qualifications of the members of the Council.

Section 16 of this bill establishes the Prescription Drug Affordability Account to pay for the expenses of the Board and the Council. [Section 17 of this bill requires the Board to impose an assessment on manufacturers and requires the Board to deposit such assessments in the Account.]

Section 18 of this bill requires the Board to identify prescription drugs that meet certain criteria indicating that the price of the prescription drug may be creating significant challenges for insurers and patients in this State. Section 18 requires the Board, in consultation with the Council, to determine whether to conduct a review to determine whether the price of a prescription drug identified by the Board as meeting those criteria is creating significant challenges for insurers and patients in this State. Section 19 of this bill prescribes the criteria the Board must consider when conducting such a review. Section 20 of this bill authorizes the Board to: (1) use certain information concerning the price of a prescription drug when conducting such a review; and (2) take certain measures to acquire such information. Sections 13, 20, 27 and 28 of this bill provide for the confidentiality of proprietary information considered by the Board. Section 24 of this bill requires the Department to provide to the Board any information concerning the price of essential diabetes drugs and certain other information upon request.

[Section] Beginning on January 1, 2022, section 21 of this bill [requires] authorizes the Board to prescribe <del>[a recommended]</del> an upper payment limit for all purchases by governmental entities of a prescription drug for which the Board determines that the price of the drug is creating significant challenges for insurers and patients in this State. Section 26 of this bill exempts such upper payment limits from the requirements applicable to regulations of state agencies generally. [Sections 29, 30 and 32-36 of this bill make any upper payment limits prescribed by the Board after January 1, 2024, mandatory. Section 39 of this bill requires the Board to conduct an additional review of the price of a prescription drug for which a recommended upper payment limit was prescribed on or before December 31, 2023, and, if appropriate, to prescribe a mandatory upper payment limit for that drug.] Sections 29.6, 31.5 and 35.5 of this bill prohibit Medicaid, the Public Employees' Benefits Program and insurance plans for local government employees from paying an amount for a prescription drug that exceeds the prescribed upper payment limit.

Section 22 of this bill authorizes a person aggrieved by a decision of the Board to submit a written appeal to the Board. Section 23 of this bill: (1) authorizes the Board to adopt regulations and enter into contracts; and (2) requires the Board to submit to the Legislature an annual report concerning trends in prescription drug pricing and the reviews conducted by the Board. Sections 38.3-38.9 of this bill require the Board to study certain issues relating to the pricing of prescription drugs.

Section [31] 31.15 of this bill requires any contract between the Department of Health and Human Services and a pharmacy benefit manager to provide services related to prescription drug coverage under Medicaid or the Children's Health Insurance Program to require the pharmacy benefit manager to provide to the Department any information concerning such services provided pursuant to the contract. If the Department does not enter into such a contract, section [31] 31.15 also requires the Department to directly manage and coordinate such services. Section 31.25 of this bill prohibits the Department from contracting with a managed care organization for any services related to coverage of prescription drugs for recipients of Medicaid.

Existing law requires the Department to develop a list of preferred prescription drugs to be used for the Medicaid program. (NRS 422.4025) [Section 34 of this bill requires the list to be used as the formulary for any prescription drug coverage provided pursuant to Medicaid or the Children's Health Insurance Program through managed care.] Section 31.4 of this bill requires the Children's Health Insurance Program to use the list of preferred prescription drugs. Sections 28.5, 29.3, 31.4 and 33 of this bill authorize other public and nonprofit insurance plans to use the list of preferred prescription drugs as the formulary for such plans. Section 31.4 also requires the Department to negotiate and enter into agreements to purchase prescription drugs included on the list of preferred prescription drugs on behalf of those

health benefit plans or enter into a contract with an insurer or pharmacy benefit manager to negotiate and enter into such agreements.

Existing law requires the Director of the Department to create a Pharmacy and Therapeutics Committee within the Department, consisting of members appointed by the Governor based on recommendations of the Director. (NRS 422.4035) Existing law requires the Committee to identify: (1) prescription drugs for inclusion in the list of preferred prescription drugs for the Medicaid program; and (2) prescription drugs on that list which should be excluded from any restrictions imposed by the Medicaid program. (NRS 422.405) Sections 31.55-31.8 of this bill replace the Committee with the Silver State Scripts Board. Section 31.55 requires the Director to appoint the members of the Board, who must have the same qualifications as the members of the Committee. Section 8 of this bill requires the Board to: (1) identify prescription drugs for inclusion in the formulary developed for use by publicly funded and nonprofit health plans; and (2) assume the other duties of the Committee.

Existing law requires the Committee to make its decisions based on evidence of clinical efficacy and safety without consideration of cost. (NRS 422.405) Section 31.8 of this bill authorizes the Board to consider cost if there is no significant difference in the clinical efficacy, safety and patient outcomes of two or more drugs. Sections 28 and 31.8 of this bill authorize the Board to close a portion of a meeting to the public in order to consider the cost of prescription drugs. Sections 25, 29.2, 31-31.1, 31.3, 31.35, 31.45 and 31.9 of this bill make conforming changes.

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

- Section 1. Chapter 439B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 23, inclusive, of this act.
- Sec. 2. As used in sections 2 to 23, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to [11,] 11.5, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Board" means the Prescription Drug Affordability Board established by section 12 of this act.
- Sec. 4. "Brand name prescription drug" means a prescription drug that is produced or distributed in accordance with an original new drug application approved pursuant to 21 U.S.C. § 355(c). The term does not include an authorized generic drug, as defined in 42 C.F.R. § 447.502.
- Sec. 5. "Council" means the Prescription Drug Affordability Stakeholder Council established by section 15 of this act.
  - Sec. 6. "Generic prescription drug" means:
- 1. A prescription drug that is marketed or distributed in accordance with an abbreviated new drug application that has been approved pursuant to 21 U.S.C. § 355(j);
  - 2. An authorized generic drug, as defined in 42 C.F.R. § 447.502; and

- 3. A prescription drug that entered the market before January 1, 1962, and was not originally marketed under a new drug application.
- Sec. 7. "Health carrier" means an entity subject to the insurance laws and regulations of this State, or subject to the jurisdiction of the Commissioner of Insurance, that contracts or offers to contract to provide, deliver, arrange for, pay for or reimburse any of the costs of health care services, including, without limitation, a sickness and accident health insurance company, a health maintenance organization, a nonprofit hospital and health service corporation or any other entity providing a plan of health insurance, health benefits or health care services.
- Sec. 8. "Manufacturer" has the meaning ascribed to it in NRS 639.009.
- Sec. 9. "Pharmacy benefit manager" has the meaning ascribed to it in NRS 683A.174.
- Sec. 10. "Upper payment limit" means the maximum amount that the [Board recommends that a health carrier or other person] State or an agency or political subdivision thereof may pay for a dose of a prescription drug, as prescribed by the Board pursuant to section 21 of this act.
- Sec. 11. "Wholesale acquisition cost" has the meaning ascribed to it in NRS 439B.620
  - Sec. 11.5. "Wholesaler" has the meaning ascribed to it in NRS 639.016.
- Sec. 12. 1. The Prescription Drug Affordability Board is hereby established. The Board consists of the following regular members:
  - (a) One member appointed by the Governor;
  - (b) One member appointed by the Majority Leader of the Senate;
  - (c) One member appointed by the Speaker of the Assembly;
  - (d) One member appointed by the Attorney General; and
- (e) One member jointly appointed by the Majority Leader of the Senate and the Speaker of the Assembly. The member appointed pursuant to this paragraph shall serve as the Chair of the Board.
- 2. In addition to the regular members appointed to the Board pursuant to subsection 1:
  - (a) The Governor shall appoint one alternate member;
- (b) The Majority Leader of the Senate shall appoint one alternate member; and
  - $(c) \ \ \textit{The Speaker of the Assembly shall appoint one alternate member}.$
- 3. A regular member of the Board appointed pursuant to subsection 1 or an alternate member of the Board appointed pursuant to subsection 2:
- (a) Must have expertise in the economics of health care or the practice of clinical medicine; and
- (b) Must not be an employee, officer, member of the executive board or consultant of a manufacturer, a pharmacy benefit manager, a health carrier or a wholesaler or a trade association for [manufacturers.] any such entity.
- 4. Before being appointed as a regular or alternate member of the Board, a person shall disclose to the authority considering the appointment any potential conflict of interest, including, without limitation, a financial interest

or personal association, that may create bias or the appearance of bias in matters related to the duties of the Board. An appointing authority shall disclose to the Chair of the Board any conflict of interest reported to him or her not later than 5 days after the identification of the conflict of interest. The Board shall post on an Internet website maintained by the Board notification of the conflict of interest, including, without limitation, the type and significance of the conflict of interest and the name of the potential member involved.

- 5. In appointing the regular and alternate members of the Board described in subsections 1 and 2, the appointing authorities shall coordinate the appointments when practicable so that the regular and alternate members of the Board reflect the ethnic and geographic diversity of this State.
- 6. After the initial terms, each regular and alternate member of the Board serves for a term of 4 years. Each member of the Board continues in office until his or her successor is appointed. Members may be reappointed for additional terms of 4 years in the same manner as the original appointments. Any vacancy occurring in the membership of the Board must be filled in the same manner as the original appointment not later than 30 days after the vacancy occurs.
- 7. Each regular or alternate member of the Board who is not an officer or employee of this State or a political subdivision of this State is entitled to receive a salary of \$80 per day while engaged in the business of the Board.
- 8. While engaged in the business of the Board, each regular and alternate member of the Board is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 9. A majority of the members of the Board constitutes a quorum for the transaction of business, and a majority of a quorum present at any meeting is sufficient for any official action taken by the Board.
- 10. A regular or alternate member of the Board who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Board and perform any work necessary to carry out the duties of the Board in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the Board to:
- (a) Make up the time he or she is absent from work to carry out his or her duties as a member of the Board; or
  - (b) Take annual leave or compensatory time for the absence.
- Sec. 13. 1. Except as otherwise provided in this subsection, the Board shall meet at the call of the Chair of the Board or a majority of its regular members and not less than once every 6 weeks. The Board may cancel or postpone a meeting [if there are no prescription drugs to review pursuant to section 19 of this act.] for any reason.
- 2. The Board may close any portion of a meeting during which it considers trade secrets or other confidential or proprietary information concerning a

prescription drug. Any portion of a meeting that is closed pursuant to this subsection is not subject to the provisions of chapter 241 of NRS. The Board shall not vote on any matter during the closed portion of a meeting.

- 3. If any regular member of the Board informs the Chair that the member will be unable to attend a scheduled meeting of the Board, the Chair must select an alternate member to replace the regular member at that meeting only, with all the duties, rights and privileges of the replaced member.
- 4. A regular or alternate member of the Board shall recuse himself or herself from a decision of the Board if the member or a member of his or her immediate family may receive a direct financial benefit, including, without limitation, honoraria, fees, stock or an increase in the value of an investment, deriving from the decision or any action taken pursuant to the decision.
- 5. A regular or alternate member of the Board shall not accept from a manufacturer, pharmacy benefit manager, health carrier, wholesaler or other person or entity who manufactures or distributes products or services related to prescription drugs or a person who owns or invests in [a manufacturer, or other] such a person or entity financial benefits that, in aggregate, exceed \$5,000 in any calendar year.
- 6. A regular or alternate member, independent contractor or employee of the Board shall not accept any gift or donation of services or property that creates a potential conflict of interest or has the appearance of creating bias concerning the work of the Board.
- 7. A regular or alternate member of the Board shall disclose to the Chair of the Board any conflict of interest that affects the member before the meeting of the Board immediately following the identification of the conflict of interest or not later than 5 days after the identification of the conflict of interest, whichever is earlier. The Chair may recuse a member who discloses a conflict of interest from any decision of the Board to which the conflict of interest is relevant. If a member who discloses a conflict of interest is not recused, the Board must post on an Internet website maintained by the Board notification of the conflict of interest, including, without limitation, a description of the type and significance of the conflict of interest and the name of the member involved.
- Sec. 14. 1. Upon approval by a majority of the members of the Board, the Board shall appoint an Executive Director, General Counsel and such other employees as the Board deems necessary.
- 2. The Executive Director and General Counsel are in the unclassified service of the State and serve at the pleasure of the Board. Any other employees of the Board are in the classified service of the State.
- 3. The Board shall establish the qualifications, powers and duties of the Executive Director and General Counsel.
- Sec. 15. 1. The Prescription Drug Affordability Stakeholder Council is hereby established.
  - 2. The Speaker of the Assembly shall appoint to the Council:

- (a) One member who is a representative of a statewide organization that advocates for consumers of health care;
- (b) One member who is a representative of a statewide organization that advocates for senior citizens;
- (c) One member who is a representative of a statewide organization that advocates for members of minority groups;
  - (d) One member who is a representative of an employee organization;
- (e) [Two members] One member who [perform] performs scientific research concerning prescription drugs; [and]
  - (f) One member who is a representative of the general public  $\{\cdot,\cdot\}$ ;
- (g) One member who is a representative of manufacturers of generic prescription drugs; and
- (h) One member who is a representative of nonprofit health carriers.
- 3. The Majority Leader of the Senate shall appoint to the Council:
- (a) One member who is a representative of physicians;
- (b) One member who is a representative of nurses;
- (c) One member who is a representative of dentists;
- (d) One member who is a representative of hospitals;
- {(d)} (e) One member who is a representative of health {insurers;} carriers;
- $\frac{f(e)}{f}$  One member who is a representative of the Budget Division of the Office of Finance;
- <del>[(f)]</del> (g) One member who is a representative of manufacturers of brand name prescription drugs;
- <u>(h)</u> One member who performs clinical research concerning prescription drugs; and

 $\frac{f(g)}{f(g)}$  (i) One member who is a representative of the general public.

- 4. The Governor shall appoint to the Council:
- (a) One member who is a representative of manufacturers of brand name prescription drugs;
- (b) One member who is a representative of manufacturers of generic prescription drugs;
  - (c) <u>One member who is a representative of biotechnology companies;</u>
- (d) One member who is a representative of employers;
- *{(d)}* (e) One member who is a representative of pharmacy benefit managers;
  - $\frac{f(e)f}{f(e)}$  (f) One member who is a representative of for-profit health carriers;
- (g) One member who is a representative of pharmacists;

{(f)} (h) One pharmacologist; and

 $\frac{f(g)}{f(g)}$  (i) One member who is a representative of the general public.

5. In appointing the members of the Council described in subsections 2, 3 and 4, the appointing authorities shall coordinate the appointments when practicable so that the members of the Council reflect the ethnic and geographic diversity of this State.

- 6. [Each member] Collectively, the members of the Council must have knowledge in [tat least one of] the following subject areas:
  - (a) The business models of manufacturers.
- (b) The supply chain for the production and distribution of prescription drugs.
  - (c) The practice of medicine or clinical training.
  - (d) Perspectives of consumers of prescription drugs.
  - (e) Trends in and drivers of the cost of health care.
- (f) Clinical research or other research concerning the provision of health care.
- (g) The Silver State Health Insurance Exchange established by NRS 6951.200.
- 7. After the initial terms, each member of the Council serves for a term of 3 years. Each member of the Council continues in office until his or her successor is appointed. Members may be reappointed for additional terms of 3 years in the same manner as the original appointments. Any vacancy occurring in the membership of the Council must be filled in the same manner as the original appointment not later than 30 days after the vacancy occurs.
- 8. The members of the Council serve without compensation but are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 9. At its first meeting and annually thereafter, the Council shall elect a Chair from among its members. A majority of the members of the Council constitutes a quorum for the transaction of business, and a majority of a quorum present at any meeting is sufficient for any official action taken by the Council.
- 10. A member of the Council who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Council and perform any work necessary to carry out the duties of the Council in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the Council to:
- (a) Make up the time he or she is absent from work to carry out his or her duties as a member of the Council; or
  - (b) Take annual leave or compensatory time for the absence.
- Sec. 16. 1. The Prescription Drug Affordability Account is hereby created in the State General Fund. The Account must be administered by the Board.
  - 2. The interest and income earned on:
  - (a) The money in the Account, after deducting any applicable charges; and
- (b) Unexpended appropriations made to the Account from the State General Fund,
- → must be credited to the Account.

- 3. Any money remaining in the Account at the end of a fiscal year including, without limitation, any unexpended appropriations made to the Account from the State General Fund, does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.
- 4. The Board may accept gifts and grants of money from any source for deposit in the Account.
- 5. The money in the Account may only be used to pay the expenses incurred by the Board and the Council to perform the duties prescribed in sections 2 to 23, inclusive, of this act.

### Sec. 17. [The Board shall:

- 1. Impose on each manufacturer that sells prescription drugs for distribution in this State an annual assessment equal to the percentage of the total sales of prescription drugs in this State that are attributable to the manufacturer multiplied by the total estimated costs of the Board and Council to perform the duties prescribed by sections 2 to 23, inclusive, of this act during the immediately preceding fiscal year.
- 2. Deposit the assessments collected pursuant to subsection 1 in the Prescription Drug Affordability Account created by section 16 of this act.] (Deleted by amendment.)
- Sec. 18. 1. [The] Using information available to the Board, including, without limitation, information obtained through a memorandum of understanding entered into pursuant to section 20 of this act, the Board shall identify:
  - (a) Each brand name prescription drug for which:
- (1) If the prescription drug is a new drug, the wholesale acquisition cost is \$30,000 or more per year or for a course of treatment; or
- (2) The wholesale acquisition cost has increased by \$3,000 or more in any 12-month period or, if a course of treatment using the prescription drug is less than 12 months, during the time period of a course of treatment.
- (b) Each new biosimilar prescription drug that has a wholesale acquisition cost that is not at least 15 percent lower than the brand name prescription drug to which the new prescription drug is biosimilar;
- (c) Each generic prescription drug for which the wholesale acquisition cost:
  - (1) Is \$100 or more for:
- (I) A supply of the drug for 30 days or less, as calculated using the recommended dosage approved by the United States Food and Drug Administration; or
- (II) If no such recommended dosage has been approved, for one unit of the drug; or
- (2) Increased by 200 percent or more during the immediately preceding calendar year; and

- (d) Any other prescription drug for which the Board determines, in consultation with the Council, that the price of the drug may be creating significant challenges for insurers and patients in this State.
- 2. For each prescription drug identified pursuant to subsection 1, the Board shall, in consultation with the Council, determine whether to conduct a review of price of the drug pursuant to section 19 of this act. When determining whether to conduct such a review, the Board shall consider, without limitation, the average copayment or coinsurance required for the prescription drug in this State.
- 3. The dollar amounts set forth in this section must be adjusted by the Board every year by an amount equal to the percentage increase in the Consumer Price Index, Medical, for the immediately preceding year.
- 4. As used in this section, "biosimilar" means a prescription drug that is produced or distributed in accordance with a biologics license application approved pursuant to 42 U.S.C.  $\S$  262(k)(3).
- Sec. 19. 1. The Board may review the price of any prescription drug identified as meeting the criteria prescribed by section 18 of this act to determine whether the price of the prescription drug is creating significant challenges for insurers and patients in this State.
- 2. In making a determination pursuant to subsection 1, the Board shall consider, to the extent that such information is available:
  - (a) The wholesale acquisition cost of the prescription drug;
- (b) The average discount or rebate that the manufacturer of the prescription drug provides to health carriers in connection with the sale of the prescription drug in this State and the percentage of the wholesale acquisition cost of the prescription drug that is covered by that average discount or rebate;
- (c) The average discount or rebate that the manufacturer of the prescription drug provides to pharmacy benefit managers in connection with the sale of the prescription drug in this State and the percentage of the wholesale acquisition cost of the prescription drug that is covered by that average discount or rebate;
- (d) The prices at which comparable alternative prescription drugs are sold in this State;
- (e) The average discount or rebate that the manufacturers of comparable alternative prescription drugs provide to health carriers and pharmacy benefit managers in connection with the sale of those alternative prescription drugs in this State;
- (f) The cost to health carriers to provide covered persons with access to the prescription drug in this State;
- (g) The impact of the price of the prescription drug on access to the prescription drug in this State;
- (h) The current or expected monetary value in this State of patient access programs that are specific to the prescription drug and supported by the manufacturer of the prescription drug;
- (i) The impact of the price of the prescription drug on the cost of public health services, medical services and social services in this State relative to

the impact of the prices of comparable alternative prescription drugs on such services;

- (j) The average copayment or coinsurance paid by patients for the prescription drug in this State; and
  - (k) Any other factors prescribed by regulation of the Board.
- 3. If the Board is unable to make a determination pursuant to subsection 1 after considering the factors prescribed by subsection 2, the Board may consider:
- (a) The research and development costs of the manufacturer, as indicated in publicly available tax documents or information filed with the Securities and Exchange Commission for the most recent tax year, in proportion to the sales of the manufacturer in this State;
- (b) The percentage of the amount spent by the manufacturer for marketing prescription drugs directly to consumers that is:
  - (1) Eligible for favorable treatment with respect to federal taxes; and
  - (2) Attributable to the prescription drug;
  - (c) Gross and net revenues of the manufacturer for the most recent tax year;
  - (d) Any additional relevant factor recommended by the manufacturer; and
  - (e) Any other factor prescribed by regulation of the Board.
- Sec. 20. 1. In conducting a review pursuant to this section 19 of this act, the Board may use any information relating to the selection of the price of the prescription drug by the manufacturer, including, without limitation, publicly available information, information disclosed to the Department pursuant to NRS 439B.600 to 439B.695, inclusive, information obtained through a memorandum of understanding entered into pursuant to subsection 2 and information requested and obtained from [the] a manufacturer [t.], wholesaler, pharmacy benefit manager or health carrier.
- 2. The Board may enter into a memorandum of understanding with any agency of another State for the sharing of information concerning the prices of prescription drugs, including, without limitation, information reported to the Department pursuant to NRS 439B.600 to 439B.695, inclusive.
- 3. Except as otherwise provided in this subsection, any proprietary information disclosed to <u>or otherwise obtained by</u> the Board pursuant to <del>[this section]</del> sections 2 to 23, inclusive, of this act, except for information <u>previously made public</u>, is confidential and is not a public record. Such information may be disclosed to an agency of another state pursuant to a memorandum of understanding entered into under the provisions of subsection 2 if the agency has requirements concerning the confidentiality of such information similar to those prescribed by this subsection.
- 4. Failure of a manufacturer, wholesaler, pharmacy benefit manager or health carrier to provide information requested by the Board pursuant to subsection 1 does not affect the authority of the Board to feoduct a review pursuant to section 19 of this act or to prescribe an upper payment limit pursuant to section 211 take any action authorized by sections 2 to 23, inclusive, of this act.

- Sec. 21. 1. If  $\frac{f+f}{f+f}$  the Board determines that it is in the best interest of this State to impose upper payment limits for purchases of prescription drugs by this State or any political subdivision thereof, the Board, in consultation with the Council, may adopt regulations prescribing:
  - (a) A process for imposing such upper payment limits; and
- (b) The criteria, in addition to those prescribed by subsection 3, for imposing upper payment limits.
- 2. If the Board adopts regulations pursuant to subsection 1, the Board may, after conducting a review pursuant to section 19 of this act <u>f</u>, the Board determines] and determining that the price of a prescription drug is creating significant challenges for insurers and patients in this State, <u>fthe Board shall prescribe a recommended</u>] set an upper payment limit for purchases of the prescription drug <u>fin</u> by this State <u>f</u> or any agency or political subdivision thereof, including, without limitation:
- (a) The state prison, any county jail and any other detention facility for adults or children operated by this State or a political subdivision thereof;
- (b) Any medical facility, as defined in NRS 449.0151, operated by this State or a political subdivision thereof;
- (c) Any health clinic or other facility that provides health care at a college or university within the Nevada System of Higher Education; and
- (d) The Medicaid program, the Public Employees' Benefits Program, coverage of prescription drugs provided by a local governmental agency pursuant to NRS 287.010 and any other coverage of prescription drugs provided by this State or a political subdivision thereof.
- <u>3.</u> When establishing <del>[a recommended]</del> an upper payment limit for a prescription drug, the Board shall consider, to the extent that such information is available and relevant:
  - (a) The cost of administering the prescription drug;
  - (b) The cost of delivering the prescription drug to consumers;
- (c) Any other relevant administrative costs related to the prescription drug; {and}
  - (d) The information described in section 19 of this act. [-
- $\frac{2.1}{2.1}$ ; and
- (e) Any other criteria prescribed by regulation of the Board.
- 4. The Board shall not impose an upper payment limit pursuant to this section for any prescription drug for which the United States Food and Drug Administration has determined that a shortage exists.
- <u>5.</u> The Board <del>[may:]</del>:
- (a) Shall monitor the availability of any drug for which an upper payment limit has been prescribed pursuant to this section; and
- (b) May revise, suspend or rescind [a recommended] an upper payment limit imposed pursuant to this section if [f, after conducting a review pursuant to section 19 of this act,] it determines that there is a shortage of the prescription drug in this State or conditions otherwise warrant the revision, suspension or rescinding of the upper payment limit, as applicable.

- [3.] 6. The Board shall collaborate with the Council, manufacturers, pharmacy benefit managers, health carriers, wholesalers, consumers of prescription drugs and other interested persons to:
- (a) Establish and refine a methodology [to] for prescribing upper payment limits pursuant to this section; [and]
- (b) Improve the quality and quantity of information received by the Board pursuant to section 20 of this act  $\frac{f+1}{f+1}$ ; and
- (c) Study purchasing strategies to lower the price of any drug for which an upper payment limit is imposed pursuant to this section, including, without limitation, such a drug for which the upper payment limit is revised, suspended or rescinded pursuant to subsection 5.
- Sec. 22. 1. Any person aggrieved by a decision of the Board may submit a written appeal to the Board not later than 30 days after the date of the decision. The Board shall rule on the appeal not later than 60 days after receiving the appeal.
- 2. A decision of the Board concerning an appeal pursuant to subsection 1 is a final decision for purposes of judicial review.
  - Sec. 23. 1. The Board may:
- (a) Adopt any regulations necessary to carry out the provisions of sections 2 to 23, inclusive, of this act.
- (b) Enter into any contract necessary to carry out the provisions of sections 2 to 23, inclusive, of this act.
- 2. On or before December 31 of each year, the Board shall submit to the Director of the Legislative Counsel Bureau for transmittal to the Legislature a report that includes, without limitation:
  - (a) Information concerning trends in the price of prescription drugs;
- (b) The number of prescription drugs that were reviewed pursuant to section 19 of this act and the outcomes of such reviews, any appeals submitted pursuant to section 22 of this act and any judicial review of such appeals; and
- (c) Any recommendations of the Board to increase the affordability of prescription drugs in this State.
  - Sec. 24. NRS 439B.670 is hereby amended to read as follows:
- 439B.670 1. Except as otherwise provided in subsection 2 and subsection 3 of NRS 439B.660, the Department shall:
- (a) Place or cause to be placed on the Internet website maintained by the Department:
- (1) The information provided by each pharmacy pursuant to NRS 439B.655:
- (2) The information compiled by a nonprofit organization pursuant to NRS 439B.665 if such a report is submitted pursuant to paragraph (b) of subsection 1 of that section;
- (3) The lists of prescription drugs compiled by the Department pursuant to NRS 439B.630;
- (4) The wholesale acquisition cost of each prescription drug reported pursuant to NRS 439B.635; and

- (5) The reports compiled by the Department pursuant to NRS 439B.650 and 439B.660.
- (b) Ensure that the information placed on the Internet website maintained by the Department pursuant to paragraph (a) is organized so that each individual pharmacy, manufacturer and nonprofit organization has its own separate entry on that website; and
- (c) Ensure that the usual and customary price that each pharmacy charges for each prescription drug that is on the list prepared pursuant to NRS 439B.625 and that is stocked by the pharmacy:
- (1) Is presented on the Internet website maintained by the Department in a manner which complies with the requirements of NRS 439B.675; and
  - (2) Is updated not less frequently than once each calendar quarter.
- → Nothing in this subsection prohibits the Department from determining the usual and customary price that a pharmacy charges for a prescription drug by extracting or otherwise obtaining such information from claims reported by pharmacies to the Medicaid program.
- 2. If a pharmacy is part of a larger company or corporation or a chain of pharmacies or retail stores, the Department may present the pricing information pertaining to such a pharmacy in such a manner that the pricing information is combined with the pricing information relative to other pharmacies that are part of the same company, corporation or chain, to the extent that the pricing information does not differ among those pharmacies.
- 3. The Department may establish additional or alternative procedures by which a consumer who is unable to access the Internet or is otherwise unable to receive the information described in subsection 1 in the manner in which it is presented by the Department may obtain that information:
  - (a) In the form of paper records;
  - (b) Through the use of a telephonic system; or
- (c) Using other methods or technologies designed specifically to assist consumers who are hearing impaired or visually impaired.
- 4. The Department shall provide to the Prescription Drug Affordability Board established pursuant to section 12 of this act any information submitted to the Department pursuant to NRS 439B.600 to 439B.695, inclusive, upon the request of the Board.
- 5. As used in this section, "usual and customary price" means the usual and customary charges that a pharmacy charges to the general public for a drug, as described in 42 C.F.R. § 447.512.
  - Sec. 25. NRS 232.320 is hereby amended to read as follows:
  - 232.320 1. The Director:
- (a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:
  - (1) The Administrator of the Aging and Disability Services Division;
- (2) The Administrator of the Division of Welfare and Supportive Services:
  - (3) The Administrator of the Division of Child and Family Services;

- (4) The Administrator of the Division of Health Care Financing and Policy; and
  - (5) The Administrator of the Division of Public and Behavioral Health.
- (b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, and <u>fsection 311</u> <u>sections 31.05 to 31.2, inclusive, of this act, 422.580, 432.010 to 432.133, inclusive, 432B.621 to 432B.626, inclusive, 444.002 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the Division of Public and Behavioral Health or the professional line activities of the other divisions.</u>
- (c) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.
- (d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:
- (1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;
  - (2) Set forth priorities for the provision of those services;
- (3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;
- (4) Identify the sources of funding for services provided by the Department and the allocation of that funding;
- (5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and
- (6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.
- (e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.
  - (f) Has such other powers and duties as are provided by law.
- 2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate

officers and employees of the Department, other than the State Public Defender of the Office of State Public Defender who is appointed pursuant to NRS 180.010.

- Sec. 26. NRS 233B.039 is hereby amended to read as follows:
- 233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:
  - (a) The Governor.
- (b) Except as otherwise provided in NRS 209.221, the Department of Corrections.
  - (c) The Nevada System of Higher Education.
  - (d) The Office of the Military.
  - (e) The Nevada Gaming Control Board.
- (f) Except as otherwise provided in NRS 368A.140 and 463.765, the Nevada Gaming Commission.
- (g) Except as otherwise provided in NRS 425.620, the Division of Welfare and Supportive Services of the Department of Health and Human Services.
- (h) Except as otherwise provided in NRS 422.390, the Division of Health Care Financing and Policy of the Department of Health and Human Services.
  - (i) The State Board of Examiners acting pursuant to chapter 217 of NRS.
- (j) Except as otherwise provided in NRS 533.365, the Office of the State Engineer.
- (k) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.375.
- (l) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260.
- (m) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 445C.310.
  - (n) The Silver State Health Insurance Exchange.
- 2. Except as otherwise provided in subsection 5 and NRS 391.323, the Department of Education, the Board of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.
  - 3. The special provisions of:
- (a) Chapter 612 of NRS for the distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;
- (b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims:
- (c) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and
  - (d) NRS 90.800 for the use of summary orders in contested cases,

- → prevail over the general provisions of this chapter.
- 4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Health and Human Services in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies.
  - 5. The provisions of this chapter do not apply to:
- (a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health, or any other agency of this State in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;
- (b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184;
- (c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694;
- (d) The judicial review of decisions of the Public Utilities Commission of Nevada; or
- (e) The adoption, amendment or repeal of policies by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 426.561 or 615.178.
- (f) An upper payment limit prescribed by the Prescription Drug Affordability Board pursuant to section 21 of this act.
- 6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.
  - Sec. 27. NRS 239.010 is hereby amended to read as follows:
- 239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007,

241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.035, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305. 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 433.534, 433A.360, 437.145, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 445A.665, 445B.570, 449.209, 449.245, 449A.112, 450.140, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.365, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.325, 641A.191, 641A.289, 641B.170, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, and section 20 of this act, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.
- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
  - Sec. 28. NRS 241.016 is hereby amended to read as follows:
- 241.016 1. The meetings of a public body that are quasi-judicial in nature are subject to the provisions of this chapter.
  - 2. The following are exempt from the requirements of this chapter:
  - (a) The Legislature of the State of Nevada.
- (b) Judicial proceedings, including, without limitation, proceedings before the Commission on Judicial Selection and, except as otherwise provided in NRS 1.4687, the Commission on Judicial Discipline.
- (c) Meetings of the State Board of Parole Commissioners when acting to grant, deny, continue or revoke the parole of a prisoner or to establish or modify the terms of the parole of a prisoner.
- 3. Any provision of law, including, without limitation, NRS 91.270, 219A.210, 228.495, 239C.140, 281A.350, 281A.690, 281A.735, 281A.760,

- 284.3629, 286.150, 287.0415, 287.04345, 287.338, 288.220, 289.387, 295.121, 360.247, 388.261, 388A.495, 388C.150, 388G.710, 388G.730, 392.147, 392.467, 394.1699, 396.3295,  $\underline{422.405}$ , 433.534, 435.610, 463.110, 622.320, 622.340, 630.311, 630.336, 631.3635, 639.050, 642.518, 642.557, 686B.170, 696B.550, 703.196 and 706.1725  $\frac{1}{17}$  and section 13 of this act, which:
- (a) Provides that any meeting, hearing or other proceeding is not subject to the provisions of this chapter; or
- (b) Otherwise authorizes or requires a closed meeting, hearing or proceeding,
- prevails over the general provisions of this chapter.
- 4. The exceptions provided to this chapter, and electronic communication, must not be used to circumvent the spirit or letter of this chapter to deliberate or act, outside of an open and public meeting, upon a matter over which the public body has supervision, control, jurisdiction or advisory powers.
- Sec. 28.5. Chapter 287 of NRS is hereby amended by adding thereto a new section to read as follows:
- A governing body of a county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that provides coverage of prescription drugs pursuant to NRS 287.010 or any issuer of a policy of health insurance purchased pursuant to NRS 287.010 may use the list of preferred prescription drugs developed by the Department of Health and Human Services pursuant to subsection 1 of NRS 422.4025 as its formulary and obtain prescription drugs through the purchasing agreements negotiated by the Department pursuant to that section by notifying the Department in the form prescribed by the Department.
  - Sec. 29. [NRS 287.010 is hereby amended to read as follows:
- 287.010 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may:
- (a) Adopt and carry into effect a system of group life, accident or health insurance, or any combination thereof, for the benefit of its officers and employees, and the dependents of officers and employees who elect to accept the insurance and who, where necessary, have authorized the governing body to make deductions from their compensation for the payment of premiums on the insurance.
- (b) Purchase group policies of life, accident or health insurance, or any combination thereof, for the benefit of such officers and employees, and the dependents of such officers and employees, as have authorized the purchase, from insurance companies authorized to transact the business of such insurance in the State of Nevada, and, where necessary, deduct from the compensation of officers and employees the premiums upon insurance and pay the deductions upon the premiums.

- (c) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this purpose through deductions from the compensation of officers and employees and contributions of the governing body must be maintained as an internal service fund as defined by NRS 354.543. The money must be deposited in a state or national bank or credit union authorized to transact business in the State of Nevada. Any independent administrator of a fund created under this section is subject to the licensing requirements of chapter 683A of NRS, and must be a resident of this State. Any contract with an independent administrator must be approved by the Commissioner of Insurance as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. The provisions of NRS 687B 408 689B 030 to 680B 050 inclusive, and 689B.287 and section 33 of this act apply to coverage provided pursuant to this paragraph, except that the provisions of NRS 689B.0378 and 689B.03785 only apply to coverage for active officers and employees of the governing body, or the dependents of such officers and employees.
- (d) Defray part or all of the cost of maintenance of a self-insurance fund or of the premiums upon insurance. The money for contributions must be budgeted for in accordance with the laws governing the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada.
- 2. If a school district offers group insurance to its officers and employees pursuant to this section, members of the board of trustees of the school district must not be excluded from participating in the group insurance. If the amount of the deductions from compensation required to pay for the group insurance exceeds the compensation to which a trustee is entitled, the difference must be paid by the trustee.
- 3. In any county in which a legal services organization exists, the governing body of the county, or of any school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada in the county, may enter into a contract with the legal services organization pursuant to which the officers and employees of the legal services organization, and the dependents of those officers and employees, are eligible for any life, accident or health insurance provided pursuant to this section to the officers and employees, and the dependents of the officers and employees, of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency.
- —4. If a contract is entered into pursuant to subsection 3, the officers and employees of the legal services organization:
- (a) Shall be deemed, solely for the purposes of this section, to be officers and employees of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency with which the legal services organization has contracted; and

- (b) Must be required by the contract to pay the premiums or contributions for all insurance which they elect to accept or of which they authorize the purchase.
- 5. A contract that is entered into pursuant to subsection 3:
- (a) Must be submitted to the Commissioner of Insurance for approval not less than 30 days before the date on which the contract is to become effective.
   (b) Does not become effective unless approved by the Commissioner.
- (e) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.
- 6. As used in this section, "legal services organization" means are organization that operates a program for legal aid and receives money pursuant to NRS 19.031.] (Deleted by amendment.)
  - Sec. 29.2. NRS 287.040 is hereby amended to read as follows:
- 287.040 The provisions of NRS 287.010 to 287.040, inclusive, <u>and section 28.5 of this act</u> do not make it compulsory upon any governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada, except as otherwise provided in NRS 287.021 or subsection 4 of NRS 287.023 or in an agreement entered into pursuant to subsection 3 of NRS 287.015, to pay any premiums, contributions or other costs for group insurance, a plan of benefits or medical or hospital services established pursuant to NRS 287.010, 287.015, 287.020 or paragraph (b), (c) or (d) of subsection 1 of NRS 287.025, for coverage under the Public Employees' Benefits Program, or to make any contributions to a trust fund established pursuant to NRS 287.017, or upon any officer or employee of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of this State to accept any such coverage or to assign his or her wages or salary in payment of premiums or contributions therefor.
  - Sec. 29.3. NRS 287.0433 is hereby amended to read as follows:
- 287.0433 <u>1.</u> The Board may establish a plan of life, accident or health insurance and provide for the payment of contributions into the Program Fund, a schedule of benefits and the disbursement of benefits from the Program Fund. The Board may reinsure any risk or any part of such a risk.
- 2. If the Board provides coverage of prescription drugs pursuant to this section, the Board or any entity with which the Board enters into a contract to provide such coverage may use the list of preferred prescription drugs developed by the Department of Health and Human Services pursuant to subsection 1 of NRS 422.4025 as its formulary and obtain prescription drugs through the purchasing agreements negotiated by the Department pursuant to that section by notifying the Department in the form prescribed by the Department.
  - Sec. 29.6. NRS 287.0433 is hereby amended to read as follows:
- 287.0433 1. The Board may establish a plan of life, accident or health insurance and provide for the payment of contributions into the Program Fund,

- a schedule of benefits and the disbursement of benefits from the Program Fund. The Board may reinsure any risk or any part of such a risk.
- 2. If the Board provides coverage of prescription drugs pursuant to this section, the Board or any entity with which the Board enters into a contract to provide such coverage [may]:
- <u>(a) May</u> use the list of preferred prescription drugs developed by the Department of Health and Human Services pursuant to subsection 1 of NRS 422.4025 as its formulary and obtain prescription drugs through the purchasing agreements negotiated by the Department pursuant to that section by notifying the Department in the form prescribed by the Department.
- (b) Shall not pay an amount for the prescription drug that exceeds any upper payment limit prescribed for that drug pursuant to section 21 of this act. For the purposes of this paragraph, the amount paid for a prescription drug means the price paid for the drug, less any rebates received by the Board or other entity.
- Sec. 30. [NRS 287.04335 is hereby amended to read as follows: 287.04335 If the Board provides health insurance through a plan of self-insurance, it shall comply with the provisions of NRS 687B.409, 689B.255, 695G.150, 695G.160, 695G.162, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.170 to 695G.173, inclusive, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405 [.] and section 33 of this act, in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.] (Deleted by amendment.)
- Sec. 31. Chapter 422 of NRS is hereby amended by adding thereto [a new section to read as follows:] the provisions set forth as sections 31.05 to 31.2, inclusive, of this act.
- Sec. 31.05. "Health benefit plan" means a policy, contract, certificate or agreement offered to provide, deliver, arrange for, pay for or reimburse any of the costs of health care services.
- Sec. 31.1. "Pharmacy benefit manager" has the meaning ascribed to it in NRS 683A.174.
- Sec. 31.15. 1. Except as otherwise provided in subsection 2, the Department shall directly manage, direct and coordinate all payments and rebates for prescription drugs and all other services and payments relating to the provision of prescription drugs under the State Plan for Medicaid and the Children's Health Insurance Program.
- 2. The Department may enter into a contract with a <u>private insurer or</u> pharmacy benefit manager <u>pursuant to paragraph (b) of subsection 1 of NRS 422.4025</u> for the provision of any services described in subsection 1. Such a contract <del>[must require:]</del>:
- (a) Must include the provisions required by section 31.2 of this act;
- (b) Must require the insurer or pharmacy benefit manager to disclose to the Department any information relating to the services covered by the contract, including, without limitation, information concerning dispensing fees,

measures for the control of costs, rebates collected and paid and any fees and charges imposed by the <u>insurer or</u> pharmacy benefit manager pursuant to the contract  $\vdash$ 

- -3. As used in this section, "pharmacy benefit manager" has the meaning ascribed to it in NRS 683A.174.1; and
- (c) May require the insurer or pharmacy benefit manager to provide the entire amount of any rebates received for the purchase of prescription drugs to the Department.
- Sec. 31.2. <u>Any agreement between the Department and a private insurer</u> or pharmacy benefit manager to negotiate agreements for the purchase of <u>prescription drugs pursuant to paragraph (b) of subsection 1 of NRS 422.4025</u> must require the insurer or pharmacy benefit manager, as applicable, to:
- 1. Submit to and cooperate with an annual audit by the Department to evaluate the insurer's or pharmacy benefit manager's compliance with the agreement and generally accepted accounting and business practices. The audit must analyze all claims processed by the insurer or pharmacy benefit manager pursuant to the agreement.
- 2. Obtain from an independent accountant, at the expense of the insurer or pharmacy benefit manager, as applicable, an annual audit of internal controls to ensure the integrity of financial transactions and claims processing.
  - Sec. 31.25. NRS 422.273 is hereby amended to read as follows:
- 422.273 1. For any Medicaid managed care program established in the State of Nevada, the Department shall contract only with a health maintenance organization that has:
- (a) Negotiated in good faith with a federally-qualified health center to provide health care services for the health maintenance organization;
- (b) Negotiated in good faith with the University Medical Center of Southern Nevada to provide inpatient and ambulatory services to recipients of Medicaid; and
- (c) Negotiated in good faith with the University of Nevada School of Medicine to provide health care services to recipients of Medicaid.
- → Nothing in this section shall be construed as exempting a federally-qualified health center, the University Medical Center of Southern Nevada or the University of Nevada School of Medicine from the requirements for contracting with the health maintenance organization.
- 2. During the development and implementation of any Medicaid managed care program, the Department shall cooperate with the University of Nevada School of Medicine by assisting in the provision of an adequate and diverse group of patients upon which the school may base its educational programs.
- 3. The University of Nevada School of Medicine may establish a nonprofit organization to assist in any research necessary for the development of a Medicaid managed care program, receive and accept gifts, grants and donations to support such a program and assist in establishing educational services about the program for recipients of Medicaid.

- 4. For the purpose of contracting with a Medicaid managed care program pursuant to this section, a health maintenance organization is exempt from the provisions of NRS 695C.123.
- 5. Except as authorized by section 31.15 of this act, the Department shall not contract with a managed care organization for any services relating to coverage of prescription drugs for recipients of Medicaid. Such coverage must be managed and coordinated by the Department in accordance with NRS 422.401 to 422.406, inclusive, and sections 31.05 to 31.2, inclusive, of this act.
- <u>6.</u> The provisions of this section apply to any managed care organization, including a health maintenance organization, that provides health care services to recipients of Medicaid under the State Plan for Medicaid or the Children's Health Insurance Program pursuant to a contract with the Division. Such a managed care organization or health maintenance organization is not required to establish a system for conducting external reviews of adverse determinations in accordance with chapter 695B, 695C or 695G of NRS. This subsection does not exempt such a managed care organization or health maintenance organization for services provided pursuant to any other contract.
  - [6.] 7. As used in this section, unless the context otherwise requires:
- (a) "Federally-qualified health center" has the meaning ascribed to it in 42 U.S.C. § 1396d(I)(2)(B).
- (b) "Health maintenance organization" has the meaning ascribed to it in NRS 695C.030.
- (c) "Managed care organization" has the meaning ascribed to it in NRS 695G.050.
  - Sec. 31.3. NRS 422.401 is hereby amended to read as follows:
- 422.401 As used in NRS 422.401 to 422.406, inclusive, <u>and sections 31.05 to 31.2</u>, <u>inclusive of this act</u>, unless the context otherwise requires, the words and terms defined in NRS 422.4015 and 422.402 <u>and sections 31.05 and 31.1 of this act</u> have the meanings ascribed to them in those sections.
  - Sec. 31.35. NRS 422.4015 is hereby amended to read as follows:
- 422.4015 ["Committee"] "Board" means the [Pharmacy and Therapeutics Committee] Silver State Scripts Board established pursuant to NRS 422.4035.
  - Sec. 31.4. NRS 422.4025 is hereby amended to read as follows:
  - 422.4025 1. The Department shall  $\frac{\text{[, by]}}{\text{:}}$
- (a) By regulation, develop a list of preferred prescription drugs to be used for the Medicaid program : and the Children's Health Insurance Program, and each public or nonprofit health benefit plan that elects to use the list of preferred prescription drugs as its formulary pursuant to NRS 287.0433 or section 28.5 or 33 of this act; and
- (b) Negotiate and enter into agreements to purchase the drugs included on the list of preferred prescription drugs on behalf of the health benefit plans described in paragraph (a) or enter into a contract with a private insurer or pharmacy benefit manager to negotiate such agreements. The Department

may, by regulation, require any rebates received through an agreement entered into pursuant to this paragraph, including, without limitation, rebates for the purchase of drugs by an entity other than the Department, to be paid to the Department.

- 2. The Department shall, by regulation, establish a list of prescription drugs which must be excluded from any restrictions that are imposed <u>by the Medicaid program</u> on drugs that are on the list of preferred prescription drugs established pursuant to subsection 1. The list established pursuant to this subsection must include, without limitation:
- (a) Atypical and typical antipsychotic medications that are prescribed for the treatment of a mental illness of a patient who is receiving services pursuant to Medicaid;
- (b) Prescription drugs that are prescribed for the treatment of the human immunodeficiency virus or acquired immunodeficiency syndrome, including, without limitation, protease inhibitors and antiretroviral medications;
  - (c) Anticonvulsant medications;
  - (d) Antirejection medications for organ transplants;
  - (e) Antidiabetic medications;
  - (f) Antihemophilic medications; and
- (g) Any prescription drug which the [Committee] <u>Board</u> identifies as appropriate for exclusion from any restrictions that are imposed <u>by the Medicaid program</u> on drugs that are on the list of preferred prescription drugs.
- 3. The regulations must provide that the [Committee] <u>Board</u> makes the final determination of:
- (a) Whether a class of therapeutic prescription drugs is included on the list of preferred prescription drugs and is excluded from any restrictions that are imposed <u>by the Medicaid program</u> on drugs that are on the list of preferred prescription drugs;
- (b) Which therapeutically equivalent prescription drugs will be reviewed for inclusion on the list of preferred prescription drugs and for exclusion from any restrictions that are imposed <u>by the Medicaid program</u> on drugs that are on the list of preferred prescription drugs; and
- (c) Which prescription drugs should be excluded from any restrictions that are imposed <u>by the Medicaid program</u> on drugs that are on the list of preferred prescription drugs based on continuity of care concerning a specific diagnosis, condition, class of therapeutic prescription drugs or medical specialty.
- 4. The regulations must provide that each new pharmaceutical product and each existing pharmaceutical product for which there is new clinical evidence supporting its inclusion on the list of preferred prescription drugs must be made available pursuant to the Medicaid program with prior authorization until the [Committee] Board reviews the product or the evidence.
- 5. On or before February 1 of each year, the Department shall:
- (a) Compile a report concerning the agreements negotiated pursuant to paragraph (b) of subsection 1 which must include, without limitation, the total

amount of money saved by the health benefit plans described in paragraph (a) of subsection 1 by obtaining prescription drugs through those agreements; and
(b) Submit the report to the Director of the Legislative Counsel Bureau for transmittal to:

- (1) In odd-numbered years, the Legislature; or
- (2) In even-numbered years, the Legislative Commission.
- Sec. 31.45. NRS 422.403 is hereby amended to read as follows:
- 422.403 1. The Department shall, by regulation, establish and manage the use by the Medicaid program of step therapy and prior authorization for prescription drugs.
  - 2. The Drug Use Review Board shall:
- (a) Advise the Department concerning the use by the Medicaid program of step therapy and prior authorization for prescription drugs;
- (b) Develop step therapy protocols and prior authorization policies and procedures for use by the Medicaid program for prescription drugs; and
- (c) Review and approve, based on clinical evidence and best clinical practice guidelines and without consideration of the cost of the prescription drugs being considered, step therapy protocols used by the Medicaid program for prescription drugs.
- 3. The Department shall not require the Drug Use Review Board to develop, review or approve prior authorization policies or procedures necessary for the operation of the list of preferred prescription drugs developed [for the Medicaid program] pursuant to NRS 422.4025.
- 4. The Department shall accept recommendations from the Drug Use Review Board as the basis for developing or revising step therapy protocols and prior authorization policies and procedures used by the Medicaid program for prescription drugs.
  - Sec. 31.5. NRS 422.403 is hereby amended to read as follows:
- 422.403 1. The Department shall, by regulation, establish and manage the use by the Medicaid program of step therapy and prior authorization for prescription drugs.
  - 2. The Drug Use Review Board shall:
- (a) Advise the Department concerning the use by the Medicaid program of step therapy and prior authorization for prescription drugs;
- (b) Develop step therapy protocols and prior authorization policies and procedures for use by the Medicaid program for prescription drugs; and
- (c) Review and approve, based on clinical evidence and best clinical practice guidelines and without consideration of the cost of the prescription drugs being considered, step therapy protocols used by the Medicaid program for prescription drugs.
- 3. The Department shall not require the Drug Use Review Board to develop, review or approve prior authorization policies or procedures necessary for the operation of the list of preferred prescription drugs developed pursuant to NRS 422.4025.

- 4. The Department shall accept recommendations from the Drug Use Review Board as the basis for developing or revising step therapy protocols and prior authorization policies and procedures used by the Medicaid program for prescription drugs.
- 5. The Department shall not pay an amount for a prescription drug distributed pursuant to Medicaid or the Children's Health Insurance Program that exceeds any upper payment limit prescribed for that drug pursuant to section 21 of this act. For the purposes of this subsection, the amount paid for a prescription drug means the price paid for the drug, less any rebates received by the Department.
  - Sec. 31.55. NRS 422.4035 is hereby amended to read as follows:
- 422.4035 1. The Director shall create <u>[a Pharmacy and Therapeuties Committee]</u> the <u>Silver State Scripts Board</u> within the Department. The <u>[Committee]</u> <u>Board</u> must consist of <u>[at least 5]</u> <u>such</u> members <u>[and not more than 11 members]</u> <u>as are</u> appointed by the <u>[Governor based on recommendations from the]</u> Director.
- 2. The [Governor] <u>Director</u> shall appoint to the [Committee] <u>Board</u> health care professionals who have knowledge and expertise in one or more of the following:
- (a) The clinically appropriate prescribing of outpatient prescription drugs that are covered by Medicaid;
- (b) The clinically appropriate dispensing and monitoring of outpatient prescription drugs that are covered by Medicaid;
- (c) The review of, evaluation of and intervention in the use of prescription drugs; and
  - (d) Medical quality assurance.
- 3. At least one-third of the members of the [Committee] Board must be active physicians licensed to practice medicine in this State, at least one of whom must be an active psychiatrist licensed to practice medicine in this State. At least one-third of the members of the [Committee] Board must be either active pharmacists registered in this State or persons in this State with doctoral degrees in pharmacy.
- 4. A person must not be appointed to the [Committee] <u>Board</u> if the person is employed by, compensated by in any manner, has a financial interest in, or is otherwise affiliated with a business or corporation that manufactures prescription drugs.
  - Sec. 31.6. NRS 422.404 is hereby amended to read as follows:
- 422.404 1. The [Governor] <u>Director</u> shall appoint the Chair of the [Committee] <u>Board</u> from among its members.
- 2. After the initial terms, the term of each member of the [Committee] <u>Board</u> is 2 years. A member may be reappointed.
- 3. A vacancy occurring in the membership of the [Committee] <u>Board</u> must be filled for the remainder of the unexpired term in the same manner as the original appointment.

- 4. The [Committee] Board shall meet at least once every 3 months and at the times and places specified by a call of the Chair of the [Committee.] Board.
- 5. A majority of the members of the [Committee] <u>Board</u> constitutes a quorum for the transaction of business, and the affirmative vote of a majority of the members of the [Committee] <u>Board</u> is required to take action.
  - Sec. 31.7. NRS 422.4045 is hereby amended to read as follows:
- 422.4045 1. Members of the [Committee] <u>Board</u> serve without compensation, except that a member of the [Committee] <u>Board</u> is entitled, while engaged in the business of the [Committee,] <u>Board</u> to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 2. Each member of the [Committee] Board who is an officer or employee of the State of Nevada or a local government must be relieved from his or her duties without loss of regular compensation so that the person may prepare for and attend meetings of the [Committee] Board and perform any work necessary to carry out the duties of the [Committee] Board in the most timely manner practicable. A state agency or local governmental entity shall not require an officer or employee who is a member of the [Committee] Board to make up the time that the officer or employee is absent from work to carry out any duties as a member of the [Committee] Board or to use annual vacation or compensatory time for the absence.
  - Sec. 31.8. NRS 422.405 is hereby amended to read as follows:
- 422.405 1. The Department shall, by regulation, set forth the duties of the [Committee] Board, which must include, without limitation:
- (a) Identifying the prescription drugs which should be included on the list of preferred prescription drugs developed by the Department [for the Medicaid program] pursuant to NRS 422.4025 [and], which must include, without limitation, any prescription drug required by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services to be covered by the Medicaid program and any other prescription drug deemed essential by the Board;
- (b) <u>Identifying</u> the prescription drugs which should be excluded from any restrictions that are imposed <u>by the Medicaid program</u> on drugs that are on the list of preferred prescription drugs;
- $\{(b)\}$  (c) Identifying classes of therapeutic prescription drugs for its review and performing a clinical analysis of each drug included in each class that is identified for review; and
- [(e)] (d) Reviewing at least annually all classes of therapeutic prescription drugs on the list of preferred prescription drugs developed by the Department [for the Medicaid program] pursuant to NRS 422.4025.
  - 2. The Department shall, by regulation, require the [Committee] Board to:
- (a) Base its decisions on evidence of clinical efficacy, [and] safety [without consideration of the cost of the prescription drugs being considered by the Committee;] and outcomes for patients and, if the difference between the

<u>clinical efficacy, safety and outcomes for two or more drugs is not clinically</u> significant, cost;

- (b) Review new pharmaceutical products in as expeditious a manner as possible; and
- (c) Consider new clinical evidence supporting the inclusion of an existing pharmaceutical product on the list of preferred prescription drugs developed by the Department [for the Medicaid program] and new clinical evidence supporting the exclusion of an existing pharmaceutical product from any restrictions that are imposed by the Medicaid program on drugs that are on the list of preferred prescription drugs in as expeditious a manner as possible.
- 3. The Department shall, by regulation, authorize the [Committee] <u>Board</u> to:
- (a) In carrying out its duties, exercise clinical judgment and analyze peer review articles, published studies, and other medical and scientific information; and
- (b) Establish subcommittees to analyze specific issues that arise as the [Committee] <u>Board</u> carries out its duties.
- 4. The Board may close any portion of a meeting during which it considers the cost of prescription drugs.
  - Sec. 31.9. NRS 422.406 is hereby amended to read as follows:
- 422.406 1. The Department may, to carry out its duties set forth in NRS 422.27172 to 422.27178, inclusive, and 422.401 to 422.406, inclusive, and sections 31.05 to 31.2, inclusive, of this act and to administer the provisions of those sections:
  - (a) Adopt regulations; and
  - (b) Enter into contracts for any services.
- 2. Any regulations adopted by the Department pursuant to NRS 422.27172 to 422.27178, inclusive, and 422.401 to 422.406, inclusive, and sections 31.05 to 31.2, inclusive, of this act must be adopted in accordance with the provisions of chapter 241 of NRS.
  - Sec. 32. [NRS 683A.179 is hereby amended to read as follows:
- 683A.179 1. A pharmacy benefit manager shall not:
- (a) Prohibit a pharmacist or pharmacy from providing information to a covered person concerning the amount of any copayment or coinsurance for a prescription drug or informing a covered person concerning the clinical efficacy of a less expensive alternative drug:
- (b) Penalize a pharmacist or pharmacy for providing the information described in paragraph (a) or selling a less expensive alternative drug to a covered person:
- (c) Prohibit a pharmacy from offering or providing delivery services directly to a covered person as an ancillary service of the pharmacy; [or]
- (d) If the pharmacy benefit manager manages a pharmacy benefits plan that provides coverage through a network plan, charge a copayment or coinsurance for a prescription drug in an amount that is greater than the total amount paid

to a pharmacy that is in the network of providers under contract with the third party (.) : or

- (e) Pay or arrange for the payment of an amount for a prescription drug that exceeds any upper payment limit prescribed for that drug pursuant to section 21 of this act. For the purposes of this paragraph, the amount paid for a prescription drug means the price paid for the drug, less any rebates received by the payor.
- 2. As used in this section, "network plan" means a health benefit plan offered by a health carrier under which the financing and delivery of medical care is provided, in whole or in part, through a defined set of providers under contract with the carrier. The term does not include an arrangement for the financing of premiums.] (Deleted by amendment.)
- Sec. 33. Chapter 687B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. [A health carrier shall not pay an amount for a prescription drug that exceeds any upper payment limit prescribed for that drug pursuant to section 21 of this act.
- 2. For the purposes of this section, the amount paid by a health carrier for a prescription drug means the price paid for the drug, less any rebates received by the health carrier.
- 3. As used in this section, "health carrier" has the meaning ascribed to it in NRS 695G.024.] A nonprofit health benefit plan may use the list of preferred prescription drugs developed by the Department of Health and Human Services pursuant to subsection 1 of NRS 422.4025 as its formulary and obtain prescription drugs through the purchasing agreements negotiated by the Department pursuant to that section by notifying the Department in the form prescribed by the Department.
- 2. As used in this section "health benefit plan" has the meaning ascribed to it in section 31.05 of this act.
  - Sec. 34. [NRS 695C.1703 is hereby amended to read as follows:
- -695C.1703 1. A health maintenance organization or insurer that offers or issues evidence of coverage which provides coverage for prescription drugs shall include with any evidence of that coverage provided to an enrollee, notice of whether a formulary is used and, if so, of the opportunity to secure information regarding the formulary from the organization or insurer pursuant to subsection 2. The notice required by this subsection must:
- (a) Be in a language that is easily understood and in a format that is easy to understand:
- (b) Include an explanation of what a formulary is; and
- —(c) If a formulary is used, include:
- (1) An explanation of:
  - (I) How often the contents of the formulary are reviewed; and
- (II) The procedure and criteria for determining which prescription drugs are included in and excluded from the formulary; and

- (2) The telephone number of the organization or insurer for making a request for information regarding the formulary pursuant to subsection 2.
- 2. If a health maintenance organization or insurer offers or issues evidence of coverage which provides coverage for prescription drugs and a formulary is used, the organization or insurer shall:
- (a) Provide to any enrollee or participating provider of health-care upon request:
- (1) Information regarding whether a specific drug is included in the formulary.
- (2) Access to the most current list of prescription drugs in the formulary, organized by major therapeutic category, with an indication of whether any listed drugs are preferred over other listed drugs. If more than one formulary is maintained, the organization or insurer shall notify the requester that a choice of formulary lists is available.
- (b) Notify each person who requests information regarding the formulary, that the inclusion of a drug in the formulary does not guarantee that a provider of health care will prescribe that drug for a particular medical condition.
- 3. A health maintenance organization that provides coverage for prescription drugs through managed care to recipients of Medicaid under the State Plan for Medicaid or the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services shall use as the formulary for prescription drug coverage the list of preferred prescription drugs prescribed by the Department pursuant to NRS 422.4025 to be used for the Medicaid program.] (Deleted by amendment.)
  - Sec. 35. [Section 21 of this act is hereby amended to read as follows:
    - Sec. 21.—1.—If, after conducting a review pursuant to section 19 of this act, the Board determines that the price of a prescription drug is creating significant challenges for insurers and patients in this State, the Board shall prescribe a [recommended] mandatory upper payment limit for purchases of the prescription drug in this State. When establishing a [recommended] mandatory upper payment limit for a prescription drug, the Board shall consider, to the extent that such information is available and relevant:
    - (a) The cost of administering the prescription drug;
    - (b) The cost of delivering the prescription drug to consumers;
    - (c) Any other relevant administrative costs related to the prescription drug; and
    - (d) The information described in section 19 of this act.
    - 2. The Board may revise or rescind a [recommended] mandatory upper payment limit imposed pursuant to this section if, after conducting a review pursuant to section 19 of this act, it determines that conditions warrant the revision or rescinding of the upper payment limit, as applicable.

- 3. The Board shall collaborate with the Council, manufacturers, health carriers, consumers of prescription drugs and other interested persons to:
- (a) Establish and refine a methodology to for prescribing upper payment limits pursuant to this section; and
- (b) Improve the quality and quantity of information received by the Board pursuant to section 20 of this act.] (Deleted by amendment.)
- Sec. 35.5. Section 28.5 of this act is hereby amended to read as follows:

  Sec. 28.5. Chapter 287 of NRS is hereby amended by adding thereto a new section to read as follows:

A governing body of a county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that provides coverage of prescription drugs pursuant to NRS 287.010 or any issuer of a policy of health insurance purchased pursuant to NRS 287.010 [may]:

- <u>1. May</u> use the list of preferred prescription drugs developed by the Department of Health and Human Services pursuant to subsection 1 of NRS 422.4025 as its formulary and obtain prescription drugs through the purchasing agreements negotiated by the Department pursuant to that section by notifying the Department in the form prescribed by the Department [1]; and
- 2. Shall not pay an amount for a prescription drug that exceeds any upper payment limit prescribed for that drug pursuant to section 21 of this act. For the purposes of this subsection, the amount paid for a prescription drug means the price paid for the drug, less any rebates received by the governing body or issuer, as applicable.
- Sec. 36. [Section 31 of this act is hereby amended to read as follows:

  Sec. 31. 1. Except as otherwise provided in subsection 2, the
  Department shall directly manage, direct and coordinate all payments
  and rebates for prescription drugs and all other services and payments
  relating to the provision of prescription drugs under the State Plan for
  Medicaid and the Children's Health Insurance Program.
  - 2. The Department may enter into a contract with a pharmacy benefit manager for the provision of any services described in subsection 1. Such a contract must require the pharmacy benefit manager to disclose to the Department any information relating to the services covered by the contract, including, without limitation, information concerning dispensing fees, measures for the control of costs, rebates collected and paid and any fees and charges imposed by the pharmacy benefit manager pursuant to the contract.
  - 3. The Department shall not pay an amount for the prescription drug distributed pursuant to Medicaid or the Children's Health Insurance Program that exceeds any upper payment limit prescribed for that drug pursuant to section 21 of this act. For the purposes of this subsection,

- the amount paid for a prescription drug means the price paid for the drug, less any rebates received by the Department.
- 4. As used in this section, "pharmacy benefit manager" has the meaning ascribed to it in NRS 683A.174.] (Deleted by amendment.)
- Sec. 36.1. As used in sections 36.1 to 38.9, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 36.2 to 36.8, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 36.2. "Health carrier" has the meaning ascribed to it in section 7 of this act.
  - Sec. 36.3. "Manufacturer" has the meaning ascribed to it in NRS 639.009.
- Sec. 36.4. "Pharmacy benefit manager" has the meaning ascribed to it in NRS 683A.174.
- Sec. 36.5. "Prescription Drug Affordability Board" means the Prescription Drug Affordability Board established by section 12 of this act.
- Sec. 36.6. "Prescription Drug Affordability Stakeholder Council" means the Prescription Drug Affordability Stakeholder Council established by section 15 of this act.
  - Sec. 36.8. "Wholesaler" has the meaning ascribed to it in NRS 639.016.
  - Sec. 37. [1.] As soon as practicable after July 1, 2019:
- [(a)] 1. The Governor and the Majority Leader of the Senate shall appoint to the Prescription Drug Affordability Board:
- $\frac{[-(1)]}{(a)}$  The regular members described in paragraphs (a) and (b), respectively, of subsection 1 of section 12 of this act to terms of 2 years; and
- $\frac{[-(2)]}{(b)}$  The alternate members described in paragraphs (a) and (b), respectively, of subsection 2 of section 12 of this act to terms of 4 years.
- <del>[(b)]</del> 2. The Speaker of the Assembly, the Attorney General and the Majority Leader of the Senate and Speaker of the Assembly shall appoint to the Prescription Drug Affordability Board the regular members described in paragraphs (c), (d) and (e), respectively, of subsection 1 of section 12 of this act to terms of 4 years.
- [(e)] 3. The Speaker of the Assembly shall appoint to the Prescription Drug Affordability Board the alternate member described in paragraph (c) of subsection 2 of section 12 of this act to a term of 2 years.
- [ 2. As used in this section, "Prescription Drug Affordability Board" means the Prescription Drug Affordability Board established by section 12 of this act.]
  - Sec. 38. [1.] As soon as practicable after July 1, 2019:
- [(a)] 1. The Speaker of the Assembly shall appoint to the Prescription Drug Affordability Stakeholder Council:
- $\frac{[-(1)]}{[-(1)]}$  (a) The members described in paragraphs (a), (b) and (c) of subsection 2 of section 15 of this act to terms of 1 year;
- [-(2)] (b) The [member] members described in [paragraph] paragraphs (d), [of subsection 2 of section 15 of this act and one member described in

paragraph] (e) and (f) of subsection 2 of section 15 of this act to terms of 2 years; and

## [ (3) One member]

- (c) The members described in [paragraph (e) of subsection 2 of section 15 of this act and the member described in paragraph (f)] paragraphs (g) and (h) of subsection 2 of section 15 of this act to terms of 3 years.
- <del>[(b)]</del> 2. The Majority Leader of the Senate shall appoint to the Prescription Drug Affordability Stakeholder Council:
- $\frac{(1)}{(2)}$  (a) The members described in paragraphs  $\frac{(2)}{(2)}$  and  $\frac{(2)}{(2)}$  of subsection 3 of section 15 of this act to terms of 1 year;
- [-(2)] (b) The members described in paragraphs (b), (c) and (d) of subsection 3 of section 15 of this act to terms of 2 years; and
- [-(3)] (c) The members described in paragraphs (a), (e) and (f) of subsection 3 of section 15 of this act to terms of 3 years.
- <del>[(e)]</del> 3. The Governor shall appoint to the Prescription Drug Affordability Stakeholder Council:
- [-(1)] (a) The members described in paragraphs (a), [and] (b) and (c) of subsection 3 of section 15 of this act to terms of 1 year;
- [-(2)] (b) The members described in paragraphs [(e) and] (g), (h) and (i) of subsection 3 of section 15 of this act to terms of 2 years; and
- [-(3)] (c) The members described in paragraphs (d), (e) and (f) of subsection 3 of section 15 of this act to terms of 3 years.
- [ 2. As used in this section, "Prescription Drug Affordability Stakeholder Council" means the Prescription Drug Affordability Stakeholder Council established by section 15 of this act.]
- Sec. 38.3. 1. On or before December 31, 2020, the Prescription Drug Affordability Board, in collaboration with the Prescription Drug Affordability Stakeholder Council, shall:
- (a) Study the system of distributing and paying for prescription drugs in this State and policy options used in other states and countries to lower the wholesale acquisition cost of prescription drugs, including, without limitation, setting upper payment limits, using reverse auctions and bulk purchasing; and
- (b) Submit to the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a report of the findings of the study, any recommendations for legislation to implement policies determined effective by the Board and the manner in which the findings of the study will affect the actions of the Board taken pursuant to section 21 of this act.
- 2. As used in this section:
- (a) "Reverse auction" means a process by which a bidder may submit more than one bid if each subsequent response to bidding is at a lower price.
- (b) "Upper payment limit" means a maximum amount that may be paid for a dose of a prescription drug.
- (c) "Wholesale acquisition cost" has the meaning ascribed to it in NRS 439B.620.

- Sec. 38.5. On or before December 31, 2020, the Prescription Drug Affordability Board shall:
- 1. Collect and review publicly available information concerning manufacturers, health carriers, wholesalers and pharmacy benefit managers that is relevant to the pricing of prescription drugs; and
- 2. Identify states that require reporting on the cost of prescription drugs and seek to enter into memorandums of understanding pursuant to section 20 of this act for the sharing of information with those states.
- Sec. 38.7. On or before December 31, 2020, the Prescription Drug Affordability Board shall:
- 1. Study potential funding sources for the Board, including, without limitation:
- (a) Imposing a fee on manufacturers, pharmacy benefit managers, health carriers, wholesalers or other entities involved in the distribution or purchasing of prescription drugs;
- (b) Using rebates obtained by public insurance plans in this State, including, without limitation, Medicaid, the Public Employees' Benefits Program and plans established by governing bodies of local governments pursuant to NRS 287.010; and
- (c) Any other methods of funding determined by the Board to be feasible and appropriate.
- 2. Select a method or combination of methods of funding that the Board determines will provide adequate money for the operation of the Board.
- 3. Submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a report of recommendations for legislation necessary to utilize the method or methods of funding selected by the Board.
- Sec. 38.9. On or before November 1, 2024, the Department of Health and Human Services, in consultation with the Prescription Drug Affordability Board and the Prescription Drug Affordability Stakeholder Council, shall:
- 1. Develop a report concerning the impact of state and local policies, including, without limitation, any actions taken pursuant to sections 2 to 23, inclusive, of this act, on the affordability of prescription drugs and access to hospital services in this State; and
- 2. Submit the report to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.
- Sec. 39. [1. For each prescription drug for which the Prescription Drug Affordability Board has adopted a recommended upper payment limit pursuant to section 21 of this act, as that section existed on December 31, 2023, the Board shall, as soon as practicable after January 1, 2024:
- (a) Conduct a review of the price of the prescription drug pursuant to section 19 of this act to consider any new information concerning the price of the prescription drug; and
- (b) If the Board determines that the price of the prescription drug is creating significant challenges for health earriers and patients in this State on the date

of the review, prescribe a mandatory upper payment limit for the prescription drug in accordance with the provisions of section 21 of this act, as amended by section 35 of this act.

- 2. As used in this section:
- (a) "Health carrier" has the meaning ascribed to it in section 7 of this act.
- (b) "Prescription Drug Affordability Board" means the Prescription Drug Affordability Board established by section 12 of this act.
- (e) "Upper payment limit" has the meaning ascribed to it in section 10 of this act.] (Deleted by amendment.)
- Sec. 39.5. 1. Notwithstanding any other provision of law, the terms of the members appointed to the Pharmacy and Therapeutics Committee established pursuant to NRS 422.4035, as that section exists on June 30, 2019, expire on that date.
- 2. The Director of the Department of Health and Human Services may appoint to the Silver State Scripts Board established pursuant to NRS 422.4035, as amended by section 31.55 of this act, a person who served as a member of the Pharmacy and Therapeutics Committee established pursuant to NRS 422.4035, as that section exists on June 30, 2019.
- Sec. 40. <u>1. The amendatory provisions of sections 31.15, 31.2 and 31.25 of this act do not apply to any contract or other agreement entered into before July 1, 2019, but apply to any contract or other agreement entered into or renewed on or after July 1, 2019.</u>
- 2. The amendatory provisions of sections [29 to 35, inclusive,] 21, 26, 29.6, 31.5 and 35.5 of this act apply to any contract or other agreement entered into before, on or after January 1, [2024.] 2022.
- Sec. 41. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
- Sec. 42. 1. This section and sections 1 to [28,] 20, inclusive, [31, 34, 37, 38, 40 and 41] 22 to 25, inclusive, 27 to 29.3, inclusive, 31 to 31.45, inclusive, 31.55 to 33, inclusive, and 36.1 to 41, inclusive, of this act become effective on July 1, 2019.
- 2. Sections <del>[29, 30, 32, 33, 35, 36 and 39]</del> <u>21, 26, 29.6, 31.5 and 35.5</u> of this act become effective on January 1, <del>[2024.]</del> <u>2022.</u>

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 275 to Senate Bill No. 378 does six things. It authorizes the Prescription Drug Affordability Board to prescribe an upper payment limit for all purchases by governmental entities beginning on January 1, 2022; prohibits Medicaid, the Public Employees' Benefits Program and insurance plans for local government employees from paying an amount for a prescription drug that exceeds the prescribed upper payment limit; prohibits the Department of Health and Human Services from contracting with a managed-care organization for any services related to coverage of prescription drugs for Medicaid recipients; requires the Department to negotiate and enter into agreements to purchase prescription drugs included on the list of preferred prescription drugs and authorizes certain insurance plans to use this list as their prescription formulary; replaces the Pharmacy and Therapeutics Committee with the Silver State Scripts Board and outlines the

Board's duties, and authorizes the Board to consider the cost of a prescription drug if there is no significant difference in clinical efficacy, safety and patient outcomes of two or more drugs.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 381.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 487.

SUMMARY—Revises provisions relating to workers' compensation. (BDR 53-1157)

AN ACT relating to industrial insurance; establishing the substantive right of an injured employee to choose a treating health care provider under the Nevada Industrial Insurance Act or the Nevada Occupational Diseases Act; revising provisions governing the panel of treating physicians and chiropractors established by the Administrator of the Division of Industrial Relations of the Department of Business and Industry to require the inclusion of certain health care providers; authorizing the Administrator to select a rating physician or chiropractor for an injured employee upon request; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

In 2007, the Nevada Supreme Court held that the Nevada Industrial Insurance Act does not entitle a claimant for compensation under that Act to his or her choice of treating physician as a substantive right. (Valdez v. Employers Ins. Co. of Nev., 123 Nev. 170 (2007)) Section 2 of this bill provides that the choice of a treating health care provider, defined as a physician, osteopathic physician, chiropractor\_<del>[, physical therapist]</del> or psychologist, is a substantive right of an injured employee who has a claim under the Nevada Industrial Insurance Act (chapters 616A-616D of NRS) or the Nevada Occupational Diseases Act (chapter 617 of NRS). Section 2 does not revise certain existing provisions to grant an injured employee the choice of physician or chiropractor in the performance of certain examinations or certifications or ratings of disability. Section 2 requires an insurer to: (1) include in its list of health care providers from which an injured employee may choose to receive treatment a certain [percentage or] number of health care providers from the panel of health care providers established and maintained by the Administrator of the Division of Industrial Relations of the Department of Business and Industry; and (2) update and file its list of health care providers with the Administrator annually. Section 2 also requires the Administrator to provide a copy of an insurer's list to any member of the public upon request or post a copy of each such list on an Internet website for viewing.

printing or downloading by the public. Section 2 sets forth procedures and limitations governing the removal of a health care provider from an insurer's list. Finally, section 2 provides that, except under certain circumstances, an injured employee may continue to receive treatment from a health care provider who has been removed from a list.

Sections 3-7, 9-25 and 28-35 of this bill revise provisions referencing treating physicians or chiropractors to instead reference treating health care providers for consistency with section 2.

Existing law requires the Administrator to establish a panel of physicians and chiropractors to treat injured employees under chapters 616A to 616D, inclusive, or chapter 617 of NRS. Existing law also provides that an injured employee may receive treatment by more than one physician or chiropractor if the insurer provides written authorization. (NRS 616C.090) Section 8 of this bill revises these provisions to: (1) require the Administrator to annually update the panel; (2) require the inclusion of physicians, chiropractors, osteopathic physicians [, physical therapists] and psychologists on the panel maintained by the Administrator; and (3) provide that an injured employee may change health care providers or receive treatment by more than one health care provider if the insurer provides written authorization or by order of a hearing officer or appeals officer.

Existing law sets forth procedures under which an insurer selects a physician or chiropractor to determine an injured employee's percentage of disability. (NRS 616C.490) Section 26 of this bill additionally authorizes an injured employee or his or her legal representative to request that the Administrator select a rating physician or chiropractor.

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

Section 1. NRS 616B.527 is hereby amended to read as follows:

- 616B.527 1. A self-insured employer, an association of self-insured public or private employers or a private carrier may:
- (a) Except as otherwise provided in NRS 616B.5273, enter into a contract or contracts with one or more organizations for managed care to provide comprehensive medical and health care services to employees for injuries and diseases that are compensable pursuant to chapters 616A to 617, inclusive, of NRS.
- (b) Enter into a contract or contracts with providers of health care, including, without limitation, physicians who provide primary care, specialists, pharmacies, physical therapists, radiologists, nurses, diagnostic facilities, laboratories, hospitals and facilities that provide treatment to outpatients, to provide medical and health care services to employees for injuries and diseases that are compensable pursuant to chapters 616A to 617, inclusive, of NRS.
- (c) Require employees to obtain medical and health care services for their industrial injuries from those organizations and persons with whom the self-insured employer, association or private carrier has contracted pursuant to

paragraphs (a) and (b), or as the self-insured employer, association or private carrier otherwise prescribes.

- (d) Except as otherwise provided in subsection [3] 4 of NRS 616C.090, require employees to obtain the approval of the self-insured employer, association or private carrier before obtaining medical and health care services for their industrial injuries from a provider of health care who has not been previously approved by the self-insured employer, association or private carrier.
- 2. An organization for managed care with whom a self-insured employer, association of self-insured public or private employers or a private carrier has contracted pursuant to this section shall comply with the provisions of NRS 616B.528, 616B.5285 and 616B.529.
- Sec. 2. Chapter 616C of NRS is hereby amended by adding thereto a new section to read as follows:
  - 1. The Legislature hereby declares that:
- (a) The choice of a treating health care provider is a substantive right and substantive benefit of an injured employee who has a claim under the Nevada Industrial Insurance Act or the Nevada Occupational Diseases Act.
- (b) The injured employees of this State have a substantive right to an adequate choice of health care providers to treat their industrial injuries and occupational diseases.
- 2. Except as otherwise provided in this subsection and subsections 3 and 4, an insurer's list of health care providers from which an injured employee may choose pursuant to NRS 616C.090 must include not less than [25 percent of the total number of] 12 health care providers in each of the following disciplines and specializations, without limitation, from the panel of health care providers maintained by the Administrator pursuant to NRS 616C.090:
  - (a) Orthopedic surgery on spines;
  - (b) Orthopedic surgery on shoulders;
  - (c) Orthopedic surgery on elbows;
  - (d) Orthopedic surgery on wrists;
  - (e) Orthopedic surgery on hands;
  - (f) Orthopedic surgery on hips;
  - (g) Orthopedic surgery on knees;
  - (h) Orthopedic surgery on ankles;
  - $(i) \ \ Or thop edic \ surgery \ on \ feet;$
  - (j) Neurosurgery;
  - (k) Neurology;
  - (l) Cardiology;
  - $(m) \ Pulmonology;$
  - (n) Psychology;
  - (o) Psychiatry;
  - (p) Pain management;
  - (q) Occupational medicine;
  - (r) Physiatry <del>[;</del>

(s) Physical or physical medicine;

## [ (t) Physical therapy; ]

(s) General practice or family medicine; and

 $\frac{\{(u)\}}{\{(u)\}}$  (t) Chiropractic medicine.

- → If the panel of health care providers maintained by the Administrator pursuant to NRS 616C.090 contains fewer than 12 health care providers for a discipline or specialization specifically identified in this subsection, all of the health care providers on the panel for that discipline or specialization must be included on the insurer's list.
- 3. [An insurer's list of health care providers required pursuant to NRS 616C.090 must include not fewer than 10 health care providers for each discipline or specialization set forth in subsection 2.] For any other discipline or specialization not specifically identified in subsection 2, the insurer's list must include not fewer than [10] 8 health care providers unless the panel of health care providers maintained by the Administrator pursuant to NRS 616C.090 contains fewer than [10] 8 health care providers for that discipline or specialization, in which case all of the health care providers on the panel for that discipline or specialization must be included on the insurer's list.
- 4. For each county whose population is 100,000 or more, fin addition to meeting the percentage required by subsection 2,] an insurer's list of health care providers must include for that county for those a number of health care providers find that is not less than the number required pursuant to subsections 2 and 3 and that also maintain in that county:
  - (a) An active practice; and
  - (b) A physical office.
- 5. If an insurer fails to maintain a list of health care providers that complies with the requirements of subsections 2, 3 and 4, an injured employee may choose a health care provider from the panel of health care providers maintained by the Administrator pursuant to NRS 616C.090.
- <u>6.</u> Each insurer shall, not later than October 1 of each year, update the list of health care providers and file the list with the Administrator. The list must be certified by an adjuster who is licensed pursuant to chapter 684A of NRS.
- [6.] 7. Upon receipt of a list of health care providers that is filed pursuant to subsection [5.] 6, the Administrator shall:
  - (a) Stamp the list as having been filed; and
  - (b) Indicate on the list the date on which it was filed.
  - [7.] 8. The Administrator shall:
- (a) Provide a copy of an insurer's list of health care providers to any member of the public who requests a copy; or
- (b) Post a copy of each insurer's list of health care providers on an Internet website maintained by the Administrator and accessible to the public for viewing, printing or downloading.

- [8.] 9. At any time, a health care provider may request in writing that he or she be removed from an insurer's list of health care providers. The insurer must comply with the request and omit the health care provider from the next list which the insurer files with the Administrator.
- [9.] 10. A health care provider may not be involuntarily removed from an insurer's list of health care providers except for good cause. As used in this subsection, "good cause" means that one or more of the following circumstances apply:
  - (a) The health care provider has died or is disabled.
  - (b) The license of the health care provider has been revoked or suspended.
  - (c) The health care provider has been convicted of:
    - (1) A felony; or
    - (2) A crime for a violation of a provision of chapter 616D of NRS.
- (d) The health care provider has been removed from the panel of health care providers maintained by the Administrator pursuant to NRS 616C.090 by the Administrator upon a finding [of good cause due to one of the eireumstances described in paragraph (a), (b) or (c).
- 10.1 that the health care provider has failed to comply with the standards for treatment of industrial injuries or occupational diseases as established by the Administrator.
- <u>11.</u> Unless a health care provider is removed from an insurer's list of health care providers pursuant to subsection  $\frac{\{0,1\}}{10}$ , an injured employee may continue to receive treatment from that health care provider even if:
- (a) The employer of the injured employee changes insurers or administrators.
- (b) The health care provider is no longer included in the applicable insurer's list of health care providers, provided that the health care provider agrees to continue to accept compensation for that treatment at the rates which:
- (1) Were previously agreed upon when the health care provider was most recently included in the list; or
- (2) Are newly negotiated but do not exceed the amounts provided under the fee schedule adopted by the Administrator.
  - [11.] 12. As used in this section, "health care provider" means:
  - (a) A physician who is licensed pursuant to chapter 630 of NRS;
- (b) An osteopathic physician who is licensed pursuant to chapter 633 of NRS;
  - (c) A chiropractor who is licensed pursuant to chapter 634 of NRS; or
- (d) [A physical therapist who is licensed pursuant to chapter 640 of NRS;
- (e) A psychologist who is licensed pursuant to chapter 641 of NRS.
- Sec. 3. NRS 616C.040 is hereby amended to read as follows:
- 616C.040 1. Except as otherwise provided in this section, a treating [physician or chiropractor] health care provider shall, within 3 working days after first providing treatment to an injured employee for a particular injury,

complete and file a claim for compensation with the employer of the injured employee and the employer's insurer. If the employer is a self-insured employer, the treating [physician or chiropractor] health care provider shall file the claim for compensation with the employer's third-party administrator. If the [physician or chiropractor] health care provider files the claim for compensation by electronic transmission, the [physician or chiropractor] health care provider shall, upon request, mail to the insurer or third-party administrator the form that contains the original signatures of the injured employee and the [physician or chiropractor.] health care provider. The form must be mailed within 7 days after receiving such a request.

- 2. A [physician or chiropractor] health care provider who has a duty to file a claim for compensation pursuant to subsection 1 may delegate the duty to a medical facility. If the [physician or chiropractor] health care provider delegates the duty to a medical facility:
- (a) The medical facility must comply with the filing requirements set forth in this section; and
  - (b) The delegation must be in writing and signed by:
    - (1) The [physician or chiropractor;] health care provider; and
    - (2) An authorized representative of the medical facility.
- 3. A claim for compensation required by subsection 1 must be filed on a form prescribed by the Administrator.
- 4. If a claim for compensation is accompanied by a certificate of disability, the certificate must include a description of any limitation or restrictions on the injured employee's ability to work.
- 5. Each [physician, chiropractor] health care provider and medical facility that treats injured employees, each insurer, third-party administrator and employer, and the Division shall maintain at their offices a sufficient supply of the forms prescribed by the Administrator for filing a claim for compensation.
- 6. The Administrator may impose an administrative fine of not more than \$1,000 for each violation of subsection 1 on:
  - (a) A [physician or chiropractor;] health care provider; or
- (b) A medical facility if the duty to file the claim for compensation has been delegated to the medical facility pursuant to this section.
- 7. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 4. NRS 616C.045 is hereby amended to read as follows:
- 616C.045 1. Except as otherwise provided in NRS 616B.727, within 6 working days after the receipt of a claim for compensation from a [physician or chiropractor,] health care provider, or a medical facility if the duty to file the claim for compensation has been delegated to the medical facility pursuant to NRS 616C.040, an employer shall complete and file with his or her insurer or third-party administrator an employer's report of industrial injury or occupational disease.
  - 2. The report must:

- (a) Be filed on a form prescribed by the Administrator;
- (b) Be signed by the employer or the employer's designee;
- (c) Contain specific answers to all questions required by the regulations of the Administrator; and
- (d) Be accompanied by a statement of the wages of the employee if the claim for compensation received from the treating [physician or chiropractor,] health care provider, or a medical facility if the duty to file the claim for compensation has been delegated to the medical facility pursuant to NRS 616C.040, indicates that the injured employee is expected to be off work for 5 days or more.
- 3. An employer who files the report required by subsection 1 by electronic transmission shall, upon request, mail to the insurer or third-party administrator the form that contains the original signature of the employer or the employer's designee. The form must be mailed within 7 days after receiving such a request.
- 4. The Administrator shall impose an administrative fine of not more than \$1,000 on an employer for each violation of this section.
- 5. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 5. NRS 616C.050 is hereby amended to read as follows:
  - 616C.050 1. An insurer shall provide to each claimant:
- (a) Upon written request, one copy of any medical information concerning the claimant's injury or illness.
- (b) A statement which contains information concerning the claimant's right to:
  - (1) Receive the information and forms necessary to file a claim;
- (2) Select a treating [physician or chiropractor] health care provider and an alternative treating [physician or chiropractor] health care provider in accordance with the provisions of NRS 616C.090;
- (3) Request the appointment of the Nevada Attorney for Injured Workers to represent the claimant before the appeals officer;
  - (4) File a complaint with the Administrator;
  - (5) When applicable, receive compensation for:
    - (I) Permanent total disability;
    - (II) Temporary total disability;
    - (III) Permanent partial disability;
    - (IV) Temporary partial disability;
    - (V) All medical costs related to the claimant's injury or disease; or
- (VI) The hours the claimant is absent from the place of employment to receive medical treatment pursuant to NRS 616C.477;
- (6) Receive services for rehabilitation if the claimant's injury prevents him or her from returning to gainful employment;
- (7) Review by a hearing officer of any determination or rejection of a claim by the insurer within the time specified by statute; and

- (8) Judicial review of any final decision within the time specified by statute.
- 2. The insurer's statement must include a copy of the form designed by the Administrator pursuant to subsection [8] 9 of NRS 616C.090 that notifies injured employees of their right to select an alternative treating [physician or chiropractor.] health care provider. The Administrator shall adopt regulations for the manner of compliance by an insurer with the other provisions of subsection 1.
- 3. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 6. NRS 616C.055 is hereby amended to read as follows:
- 616C.055 1. The insurer may not, in accepting responsibility for any charges, use fee schedules which unfairly discriminate among [physicians and chiropractors.] health care providers.
- 2. [If a physician or chiropractor] Except as otherwise provided in section 2 of this act, if a health care provider is removed from the panel established pursuant to NRS 616C.090 or from participation in a plan for managed care established pursuant to NRS 616B.527, the [physician or chiropractor, as applicable,] health care provider must not be paid for any services rendered to the injured employee after the date of the removal.
- 3. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 7. NRS 616C.075 is hereby amended to read as follows:
- 616C.075 1. If an employee is properly directed to submit to a physical examination and the employee refuses to permit the treating [physician or ehiropractor] health care provider to make an examination and to render medical attention as may be required immediately, no compensation may be paid for the injury claimed to result from the accident.
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 8. NRS 616C.090 is hereby amended to read as follows:
- 616C.090 1. The Administrator shall establish, maintain and update not less frequently than annually on or before July 1 of each year, a panel of [physicians and chiropractors] health care providers who have demonstrated special competence and interest in industrial health to treat injured employees under chapters 616A to 616D, inclusive, or chapter 617 of NRS. The Administrator shall maintain the following information relating to each health care provider on the panel:
  - (a) The name of the health care provider.
  - (b) The title or degree of the health care provider.
- (c) The legal name of the health care provider's practice and the name under which the practice does business.
- <u>(d)</u> The street address of the <u>location of every</u> office of the health care provider.

 $\frac{f(d)}{f(d)}$  (e) The telephone number of  $\frac{f(d)}{f(d)}$  every office of the health care provider.

## f (e) Thel

- <u>(f) Every</u> discipline <del>[or]</del> <u>and</u> specialization practiced by the health care provider.
- (g) Every condition and part of the body which the health care provider will treat.
- 2. Every employer whose insurer has not entered into a contract with an organization for managed care or with providers of health care [services] pursuant to NRS 616B.527 shall maintain a list of those [physicians and ehiropractors] health care providers on the panel who are reasonably accessible to his or her employees.
- [2.] 3. An injured employee whose employer's insurer has not entered into a contract with an organization for managed care or with providers of health care [services] pursuant to NRS 616B.527 may choose a treating [physician or ehiropractor] health care provider from the panel of [physicians and chiropractors.] health care providers. If the injured employee is not satisfied with the first [physician or chiropractor] health care provider he or she so chooses, the injured employee may make an alternative choice of [physician or chiropractor) health care provider from the panel if the choice is made within 90 days after his or her injury. The insurer shall notify the first [physician or chiropractor] health care provider in writing. The notice must be postmarked within 3 working days after the insurer receives knowledge of the change. The first [physician or chiropractor] health care provider must be reimbursed only for the services the [physician or chiropractor, as applicable,] health care provider rendered to the injured employee up to and including the date of notification. Except as otherwise provided in this subsection, any further change is subject to the approval of the insurer [, which] or by order of a hearing officer or appeals officer. A request for a change of health care provider must be granted or denied within 10 days after a written request for such a change is received from the injured employee. If the insurer takes no action [is taken] on the request within 10 days, the request shall be deemed granted. Any request for a change of [physician or chiropractor] health care provider must include the name of the new [physician or chiropractor] health care provider chosen by the injured employee. If the treating <del>[physician or</del> ehiropractor] health care provider refers the injured employee to a specialist for treatment, the [treating physician or chiropractor-health care provider] insurer shall provide to the injured employee a list that includes the name of each [physician or chiropractor] health care provider with that specialization who is on the panel. [After] Not later than 14 days after receiving the list, the injured employee shall <del>[, at the time the referral is made,]</del> select a <del>[physician</del> or chiropractor) health care provider from the list.
- [3.] 4. An injured employee whose employer's insurer has entered into a contract with an organization for managed care or with providers of health care [services] pursuant to NRS 616B.527 must choose a treating [physician or

ehiropractor health care provider pursuant to the terms of that contract. If the injured employee is not satisfied with the first [physician or chiropractor] health care provider he or she so chooses, the injured employee may make an alternative choice of [physician or chiropractor] health care provider pursuant to the terms of the contract without the approval of the insurer if the choice is made within 90 days after his or her injury. Except as otherwise provided in this subsection, any further change is subject to the approval of the insurer or by order of a hearing officer or appeals officer. A request for a change of health care provider must be granted or denied within 10 days after a written request for such a change is received from the injured employee. If the insurer takes no action on the request within 10 days, the request shall be deemed granted. If the injured employee, after choosing a treating [physician or chiropractor, health care provider, moves to a county which is not served by the organization for managed care or providers of health care [services] named in the contract and the insurer determines that it is impractical for the injured employee to continue treatment with the [physician or chiropractor,] health care provider, the injured employee must choose a treating [physician or chiropractor] health care provider who has agreed to the terms of that contract unless the insurer authorizes the injured employee to choose another [physician or chiropractor.] health care provider. If the treating [physician or chiropractor health care provider refers the injured employee to a specialist for treatment, the [treating physician or chiropractor-health care provider] insurer shall provide to the injured employee a list that includes the name of each [physician or chiropractor] health care provider with that specialization who is available pursuant to the terms of the contract with the organization for managed care or with providers of health care [services] pursuant to NRS 616B.527, as appropriate. [After] Not later than 14 days after receiving the list, the injured employee shall <del>[, at the time the referral is made,]</del> select a [physician or chiropractor] health care provider from the list. If the employee fails to select a [physician or chiropractor,] health care provider, the insurer may select a [physician or chiropractor] health care provider with that specialization. If a [physician or chiropractor] health care provider with that specialization is not available pursuant to the terms of the contract, the organization for managed care or the provider of health care [services] may select a [physician or chiropractor] health care provider with that specialization.

[4.] 5. If the injured employee is not satisfied with the [physician or chiropractor] health care provider selected by himself or herself or by the insurer, the organization for managed care or the provider of health care [services] pursuant to subsection [3,] 4, the injured employee may make an alternative choice of [physician or chiropractor] health care provider pursuant to the terms of the contract. A change in the treating [physician or chiropractor] health care provider may be made at any time but is subject to the approval of the insurer [, which] or by order of a hearing officer or appeals officer. A request for a change of health care provider must be granted or denied within

- 10 days after a written request for such a change is received from the injured employee. If no action is taken on the request within 10 days, the request shall be deemed granted. Any request for a change of [physician or chiropractor] health care provider must include the name of the new [physician or chiropractor] health care provider chosen by the injured employee. If the insurer denies a request for a change in the treating [physician or chiropractor] health care provider under this subsection, the insurer must include in a written notice of denial to the injured employee the specific reason for the denial of the request.
- [5.] 6. Except when emergency medical care is required and except as otherwise provided in NRS 616C.055, the insurer is not responsible for any charges for medical treatment or other accident benefits furnished or ordered by any [physician, chiropractor] health care provider or other person selected by the injured employee in disregard of the provisions of this section or for any compensation for any aggravation of the injured employee's injury attributable to improper treatments by such [physician, chiropractor] health care provider or other person.
- [6.] 7. The Administrator may order necessary changes in a panel of [physicians and chiropractors] health care providers and shall suspend or remove any [physician or chiropractor] health care provider from a panel for good cause shown [.
- $\frac{7}{1}$  in accordance with section 2 of this act.
- 8. An injured employee may receive treatment by more than one [physician or chiropractor if] health care provider:
- (a) If the insurer provides written authorization for such treatment [-
- $\frac{-8.1}{}$ ; or
  - (b) By order of a hearing officer or appeals officer.
- 9. The Administrator shall design a form that notifies injured employees of their right pursuant to subsections [2,] 3, [and] 4 and 5 to select an alternative treating [physician or chiropractor] health care provider and make the form available to insurers for distribution pursuant to subsection 2 of NRS 616C.050.
- 10. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 9. NRS 616C.095 is hereby amended to read as follows:
- 616C.095 1. The [physician or chiropractor] health care provider shall inform the injured employee of the injured employee's rights under chapters 616A to 616D, inclusive, or chapter 617 of NRS and lend all necessary assistance in making application for compensation and such proof of other matters as required by the rules of the Division, without charge to the employee.
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.

- Sec. 10. NRS 616C.098 is hereby amended to read as follows:
- 616C.098 1. Certain phrases relating to a claim for compensation for an industrial injury or occupational disease and used by a [physician or ehiropractor] health care provider when determining the causation of an industrial injury or occupational disease are deemed to be equivalent and may be used interchangeably. Those phrases are:
- [1.] (a) "Directly connect this injury or occupational disease as job incurred"; and
- [2.] (b) "A degree of reasonable medical probability that the condition in question was caused by the industrial injury."
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 11. NRS 616C.130 is hereby amended to read as follows:
- 616C.130 *1*. The insurer shall not authorize the payment of any money to a [physician or chiropractor] health care provider for services rendered by the [physician or chiropractor, as applicable,] health care provider in attending an injured employee until an itemized statement for the services has been received by the insurer accompanied by a certificate of the [physician or chiropractor] health care provider stating that a duplicate of the itemized statement has been filed with the employer of the injured employee.
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 12. NRS 616C.140 is hereby amended to read as follows:
- 616C.140 1. Any employee who is entitled to receive compensation under chapters 616A to 616D, inclusive, of NRS shall, if:
  - (a) Requested by the insurer or employer; or
  - (b) Ordered by an appeals officer or a hearing officer,
- ⇒ submit to a medical examination at a time and from time to time at a place reasonably convenient for the employee, and as may be provided by the regulations of the Division.
- 2. If the insurer has reasonable cause to believe that an injured employee who is receiving compensation for a permanent total disability is no longer disabled, the insurer may request the employee to submit to an annual medical examination to determine whether the disability still exists. The insurer shall pay the costs of the examination.
- 3. The request or order for an examination must fix a time and place therefor, with due regard for the nature of the medical examination, the convenience of the employee, the employee's physical condition and the employee's ability to attend at the time and place fixed.
- 4. The employee is entitled to have a [physician or chiropractor,] health care provider, provided and paid for by the employee, present at any such examination.
- 5. If the employee refuses to submit to an examination ordered or requested pursuant to subsection 1 or 2 or obstructs the examination, the right

- of the employee to compensation is suspended until the examination has taken place, and no compensation is payable during or for the period of suspension.
- 6. Any [physician or chiropractor] health care provider who makes or is present at any such examination may be required to testify as to the result thereof.
- 7. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 13. NRS 616C.145 is hereby amended to read as follows:
- 616C.145 1. An injured employee may obtain an independent medical examination:
- (a) Except as otherwise provided in subsections 2 and 3, whenever a dispute arises from a determination issued by the insurer regarding the approval of care, the direction of a treatment plan or the scope of the claim;
- (b) Within 30 days after an injured employee receives any report generated pursuant to a medical examination requested by the insurer pursuant to NRS 616C.140; or
- (c) At any time by leave of a hearing officer or appeals officer after the denial of any therapy or treatment.
- 2. An injured employee is entitled to an independent medical examination pursuant to paragraph (a) of subsection 1 only:
  - (a) For a claim for compensation that is open;
- (b) When the closure of a claim for compensation is under dispute pursuant to NRS 616C.235; or
- (c) When a hearing or appeal is pending pursuant to NRS 616C.330 or 616C.360.
- 3. An injured employee is entitled to only one independent medical examination per calendar year pursuant to paragraph (a) of subsection 1.
- 4. Except as otherwise provided in subsection 5, an independent medical examination must not involve treatment and must be conducted by a physician or chiropractor selected by the injured employee from the panel of [physicians and chiropractors] health care providers established pursuant to subsection 1 of NRS 616C.090. As used in this subsection, "health care provider" has the meaning ascribed to it in section 2 of this act.
- 5. If the dispute concerns the rating of a permanent disability, an independent medical examination may be conducted by a rating physician or chiropractor. The injured employee must select the next rating physician or chiropractor in rotation from the list of qualified physicians and chiropractors maintained by the Administrator pursuant to subsection 2 of NRS 616C.490, unless the insurer and the injured employee otherwise agree to a rating physician or chiropractor.
  - 6. The insurer shall:
- (a) Pay the costs of any independent medical examination conducted pursuant to this section in accordance with NRS 616C.260; and
- (b) Upon request, receive a copy of any report or other document that is generated as a result of the independent medical examination.

- 7. The provisions of this section do not apply to an independent medical examination ordered by a hearing officer pursuant to subsection 3 of NRS 616C.330 or by an appeals officer pursuant to subsection 3 of NRS 616C.360.
  - Sec. 14. NRS 616C.160 is hereby amended to read as follows:
- 616C.160 1. If, after a claim for compensation is filed pursuant to NRS 616C.020:
- [1.] (a) The injured employee seeks treatment from a [physician or chiropractor] health care provider for a newly developed injury or disease; and
- [2.] (b) The employee's medical records for the injury reported do not include a reference to the injury or disease for which treatment is being sought, or there is no documentation indicating that there was possible exposure to an injury described in paragraph (b), (c) or (d) of subsection 2 of NRS 616A.265,
- → the injury or disease for which treatment is being sought must not be considered part of the employee's original claim for compensation unless the [physician or chiropractor] health care provider establishes by medical evidence a causal relationship between the injury or disease for which treatment is being sought and the original accident.
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 15. NRS 616C.230 is hereby amended to read as follows:
- 616C.230 1. Compensation is not payable pursuant to the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS for an injury:
  - (a) Caused by the employee's willful intention to injure himself or herself.
  - (b) Caused by the employee's willful intention to injure another.
- (c) That occurred while the employee was in a state of intoxication, unless the employee can prove by clear and convincing evidence that his or her state of intoxication was not the proximate cause of the injury. For the purposes of this paragraph, an employee is in a state of intoxication if the level of alcohol in the bloodstream of the employee meets or exceeds the limits set forth in subsection 1 of NRS 484C.110.
- (d) That occurred while the employee was under the influence of a controlled or prohibited substance, unless the employee can prove by clear and convincing evidence that his or her being under the influence of a controlled or prohibited substance was not the proximate cause of the injury. For the purposes of this paragraph, an employee is under the influence of a controlled or prohibited substance if the employee had an amount of a controlled or prohibited substance in his or her system at the time of his or her injury that was equal to or greater than the limits set forth in subsection 3 or 4 of NRS 484C.110 and for which the employee did not have a current and lawful prescription issued in the employee's name.
  - 2. For the purposes of paragraphs (c) and (d) of subsection 1:
- (a) The affidavit or declaration of an expert or other person described in NRS 50.310, 50.315 or 50.320 is admissible to prove the existence of an impermissible quantity of alcohol or the existence, quantity or identity of an

impermissible controlled or prohibited substance in an employee's system. If the affidavit or declaration is to be so used, it must be submitted in the manner prescribed in NRS 616C.355.

- (b) When an examination requested or ordered includes testing for the use of alcohol or a controlled or prohibited substance, the laboratory that conducts the testing must be licensed pursuant to the provisions of chapter 652 of NRS.
- (c) The results of any testing for the use of alcohol or a controlled or prohibited substance, irrespective of the purpose for performing the test, must be made available to an insurer or employer upon request, to the extent that doing so does not conflict with federal law.
- 3. No compensation is payable for the death, disability or treatment of an employee if the employee's death is caused by, or insofar as the employee's disability is aggravated, caused or continued by, an unreasonable refusal or neglect to submit to or to follow any competent and reasonable surgical treatment or medical aid.
- 4. If any employee persists in an unsanitary or injurious practice that imperils or retards his or her recovery, or refuses to submit to such medical or surgical treatment as is necessary to promote his or her recovery, the employee's compensation may be reduced or suspended.
- 5. An injured employee's compensation, other than accident benefits, must be suspended if:
- (a) A [physician or chiropractor] health care provider determines that the employee is unable to undergo treatment, testing or examination for the industrial injury solely because of a condition or injury that did not arise out of and in the course of employment; and
- (b) It is within the ability of the employee to correct the nonindustrial condition or injury.
- → The compensation must be suspended until the injured employee is able to resume treatment, testing or examination for the industrial injury. The insurer may elect to pay for the treatment of the nonindustrial condition or injury.
  - 6. As used in this section [, "prohibited]:
- (a) "Health care provider" has the meaning ascribed to it in section 2 of this act.
  - (b) "Prohibited substance" has the meaning ascribed to it in NRS 484C.080.
  - Sec. 16. NRS 616C.260 is hereby amended to read as follows:
  - 616C.260 1. All fees and charges for accident benefits must not:
- (a) Exceed the amounts usually billed and paid in the State for similar treatment.
- (b) Be unfairly discriminatory as between persons legally qualified to provide the particular service for which the fees or charges are asked.
- 2. The Administrator shall, giving consideration to the fees and charges being billed and paid in the State, establish a schedule of reasonable fees and charges allowable for accident benefits provided to injured employees whose insurers have not contracted with an organization for managed care or with providers of health care [services] pursuant to NRS 616B.527. The

Administrator shall review and revise the schedule on or before February 1 of each year. In the revision, the Administrator shall adjust the schedule by the corresponding annual change in the Consumer Price Index, Medical Care Component.

- 3. The Administrator shall designate a vendor who compiles data on a national basis concerning fees and charges that are billed and paid for treatment or services similar to the treatment and services that qualify as accident benefits in this State to provide the Administrator with such information as the Administrator deems necessary to carry out the provisions of subsection 2. The designation must be made pursuant to reasonable competitive bidding procedures established by the Administrator. In addition, the Administrator may request a health insurer, health maintenance organization or provider of accident benefits, an agent or employee of such a person, or an agency of the State to provide the Administrator with information concerning fees and charges that are billed and paid in this State for similar services as the Administrator deems necessary to carry out the provisions of subsection 2. The Administrator shall require a health insurer, health maintenance organization or provider of accident benefits, an agent or employee of such a person, or an agency of the State that provides records or reports of fees and charges billed and paid pursuant to this section to provide interpretation and identification concerning the information delivered. The Administrator may impose an administrative fine of \$500 on a health insurer, health maintenance organization or provider of accident benefits, or an agent or employee of such a person for each refusal to provide the information requested pursuant to this subsection.
- 4. The Division may adopt reasonable regulations necessary to carry out the provisions of this section. The regulations must include provisions concerning:
- (a) Standards for the development of the schedule of fees and charges that are billed and paid; and
- (b) The monitoring of compliance by providers of benefits with the schedule of fees and charges.
- 5. The Division shall adopt regulations requiring the use of a system of billing codes as recommended by the American Medical Association.
  - Sec. 17. NRS 616C.270 is hereby amended to read as follows:
- 616C.270 1. Every employer who has elected to provide accident benefits for his or her injured employees shall prepare and submit a written report to the Administrator:
- (a) Within 6 days after any accident if an injured employee is examined by a physician or chiropractor or treated by a [physician or chiropractor;] health care provider; and
  - (b) If the injured employee receives additional medical services.
- 2. The Administrator shall review each report to determine whether the employer is furnishing the accident benefits required by chapters 616A to 616D, inclusive, of NRS.

- 3. The content and form of the written reports must be prescribed by the Administrator.
- 4. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 18. NRS 616C.275 is hereby amended to read as follows:
- 616C.275 1. If the Administrator finds that the employer is furnishing the requirements of accident benefits in such a manner that there are reasonable grounds for believing that the health, life or recovery of the employee is being endangered or impaired thereby, or that an employer has failed to provide benefits pursuant to NRS 616C.265 for which he or she has made arrangements, the Administrator may, upon application of the employee, or upon the Administrator's own motion, order a change of [physicians or chiropractors] health care providers or of any other requirements of accident benefits.
- 2. If the Administrator orders a change of <del>[physicians or chiropractors]</del> health care providers or of any other accident benefits, the cost of the change must be borne by the insurer.
- 3. The cause of action of an injured employee against an employer insured by a private carrier must be assigned to the private carrier.
- 4. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 19. NRS 616C.280 is hereby amended to read as follows:
- 616C.280 1. The Administrator may withdraw his or her approval of an employer's providing accident benefits for his or her employees and require the employer to pay the premium collected pursuant to NRS 616C.255 if the employer intentionally:
- [1.] (a) Determines incorrectly that a claimed injury did not arise out of and in the course of the employee's employment;
- [2.] (b) Fails to advise an injured employee of the employee's rights under chapters 616A to 616D, inclusive, or chapter 617 of NRS;
- [3.] (c) Impedes the determination of disability or benefits by delaying a needed change of an injured employee's [physician or chiropractor;]
- <u>−4.</u>] health care provider;
- (d) Causes an injured employee to file a legal action to recover any compensation or other medical benefits due the employee from the employer;
- [5.] (e) Violates any of the Administrator's or the Division's regulations regarding the provision of accident benefits by employers; or
- [6.] (f) Discriminates against an employee who claims benefits under chapters 616A to 616D, inclusive, or chapter 617 of NRS.
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 20. NRS 616C.330 is hereby amended to read as follows:
  - 616C.330 1. The hearing officer shall:
- (a) Except as otherwise provided in subsection 2 of NRS 616C.315, within 5 days after receiving a request for a hearing, set the hearing for a date and

time within 30 days after his or her receipt of the request at a place in Carson City, Nevada, or Las Vegas, Nevada, or upon agreement of one or more of the parties to pay all additional costs directly related to an alternative location, at any other place of convenience to the parties, at the discretion of the hearing officer;

- (b) Give notice by mail or by personal service to all interested parties to the hearing at least 15 days before the date and time scheduled; and
  - (c) Conduct hearings expeditiously and informally.
- 2. The notice must include a statement that the injured employee may be represented by a private attorney or seek assistance and advice from the Nevada Attorney for Injured Workers.
- 3. If necessary to resolve a medical question concerning an injured employee's condition or to determine the necessity of treatment for which authorization for payment has been denied, the hearing officer may order an independent medical examination, which must not involve treatment, and refer the employee to a physician or chiropractor of his or her choice who has demonstrated special competence to treat the particular medical condition of the employee, whether or not the physician or chiropractor is on the insurer's panel of providers of health care. If the medical question concerns the rating of a permanent disability, the hearing officer may refer the employee to a rating physician or chiropractor. The rating physician or chiropractor must be selected in rotation from the list of qualified physicians and chiropractors maintained by the Administrator pursuant to subsection 2 of NRS 616C.490, unless the insurer and injured employee otherwise agree to a rating physician or chiropractor. The insurer shall pay the costs of any medical examination requested by the hearing officer.
- 4. The hearing officer may consider the opinion of an examining physician or chiropractor, in addition to the opinion of an authorized treating [physician or chiropractor,] health care provider, in determining the compensation payable to the injured employee. As used in this subsection, "health care provider" has the meaning ascribed to it in section 2 of this act.
- 5. If an injured employee has requested payment for the cost of obtaining a second determination of his or her percentage of disability pursuant to NRS 616C.100, the hearing officer shall decide whether the determination of the higher percentage of disability made pursuant to NRS 616C.100 is appropriate and, if so, may order the insurer to pay to the employee an amount equal to the maximum allowable fee established by the Administrator pursuant to NRS 616C.260 for the type of service performed, or the usual fee of that physician or chiropractor for such service, whichever is less.
- 6. The hearing officer shall order an insurer, organization for managed care or employer who provides accident benefits for injured employees pursuant to NRS 616C.265 to pay to the appropriate person the charges of a provider of health care if the conditions of NRS 616C.138 are satisfied.
- 7. The hearing officer may allow or forbid the presence of a court reporter and the use of a tape recorder in a hearing.

- 8. The hearing officer shall render his or her decision within 15 days after:
- (a) The hearing; or
- (b) The hearing officer receives a copy of the report from the medical examination the hearing officer requested.
- 9. The hearing officer shall render a decision in the most efficient format developed by the Chief of the Hearings Division of the Department of Administration.
- 10. The hearing officer shall give notice of the decision to each party by mail. The hearing officer shall include with the notice of the decision the necessary forms for appealing from the decision.
- 11. Except as otherwise provided in NRS 616C.380, the decision of the hearing officer is not stayed if an appeal from that decision is taken unless an application for a stay is submitted by a party. If such an application is submitted, the decision is automatically stayed until a determination is made on the application. A determination on the application must be made within 30 days after the filing of the application. If, after reviewing the application, a stay is not granted by the hearing officer or an appeals officer, the decision must be complied with within 10 days after the refusal to grant a stay.
  - Sec. 21. NRS 616C.350 is hereby amended to read as follows:
- 616C.350 1. Any [physician or chiropractor] health care provider who attends an employee within the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS in a professional capacity, may be required to testify before an appeals officer. A [physician or chiropractor] health care provider who testifies is entitled to receive the same fees as witnesses in civil cases and, if the appeals officer so orders at his or her own discretion, a fee equal to that authorized for a consultation by the appropriate schedule of fees for [physicians or chiropractors.] health care providers who practice in that discipline or specialization. These fees must be paid by the insurer.
- 2. Information gained by the attending [physician or chiropractor] health care provider while in attendance on the injured employee is not a privileged communication if:
- (a) Required by an appeals officer for a proper understanding of the case and a determination of the rights involved; or
- (b) The information is related to any fraud that has been or is alleged to have been committed in violation of the provisions of this chapter or chapter 616A, 616B, 616D or 617 of NRS.
- 3. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 22. NRS 616C.360 is hereby amended to read as follows:
- 616C.360 1. A stenographic or electronic record must be kept of the hearing before the appeals officer and the rules of evidence applicable to contested cases under chapter 233B of NRS apply to the hearing.
- 2. The appeals officer must hear any matter raised before him or her on its merits, including new evidence bearing on the matter.

- 3. If there is a medical question or dispute concerning an injured employee's condition or concerning the necessity of treatment for which authorization for payment has been denied, the appeals officer may:
- (a) Order an independent medical examination and refer the employee to a physician or chiropractor of his or her choice who has demonstrated special competence to treat the particular medical condition of the employee, whether or not the physician or chiropractor is on the insurer's panel of providers of health care. If the medical question concerns the rating of a permanent disability, the appeals officer may refer the employee to a rating physician or chiropractor. The rating physician or chiropractor must be selected in rotation from the list of qualified physicians or chiropractors maintained by the Administrator pursuant to subsection 2 of NRS 616C.490, unless the insurer and the injured employee otherwise agree to a rating physician or chiropractor. The insurer shall pay the costs of any examination requested by the appeals officer.
- (b) If the medical question or dispute is relevant to an issue involved in the matter before the appeals officer and all parties agree to the submission of the matter to an independent review organization, submit the matter to an independent review organization in accordance with NRS 616C.363 and any regulations adopted by the Commissioner.
- 4. The appeals officer may consider the opinion of an examining physician or chiropractor, in addition to the opinion of an authorized treating [physician or chiropractor,] health care provider, in determining the compensation payable to the injured employee. As used in this subsection, "health care provider" has the meaning ascribed to it in section 2 of this act.
- 5. If an injured employee has requested payment for the cost of obtaining a second determination of his or her percentage of disability pursuant to NRS 616C.100, the appeals officer shall decide whether the determination of the higher percentage of disability made pursuant to NRS 616C.100 is appropriate and, if so, may order the insurer to pay to the employee an amount equal to the maximum allowable fee established by the Administrator pursuant to NRS 616C.260 for the type of service performed, or the usual fee of that physician or chiropractor for such service, whichever is less.
- 6. The appeals officer shall order an insurer, organization for managed care or employer who provides accident benefits for injured employees pursuant to NRS 616C.265 to pay to the appropriate person the charges of a provider of health care if the conditions of NRS 616C.138 are satisfied.
- 7. Any party to the appeal or contested case or the appeals officer may order a transcript of the record of the hearing at any time before the seventh day after the hearing. The transcript must be filed within 30 days after the date of the order unless the appeals officer otherwise orders.
- 8. Except as otherwise provided in subsection 9, the appeals officer shall render a decision:
- (a) If a transcript is ordered within 7 days after the hearing, within 30 days after the transcript is filed; or

- (b) If a transcript has not been ordered, within 30 days after the date of the hearing.
- 9. The appeals officer shall render a decision on a contested claim submitted pursuant to subsection 2 of NRS 616C.345 within 15 days after:
  - (a) The date of the hearing; or
- (b) If the appeals officer orders an independent medical examination, the date the appeals officer receives the report of the examination,
- → unless both parties to the contested claim agree to a later date.
- 10. The appeals officer may affirm, modify or reverse any decision made by a hearing officer and issue any necessary and proper order to give effect to his or her decision.
  - Sec. 23. NRS 616C.363 is hereby amended to read as follows:
- 616C.363 1. Not later than 5 business days after the date that an independent review organization receives a request for an external review, the independent review organization shall:
- (a) Review the documents and materials submitted for the external review; and
- (b) Notify the injured employee, his or her employer and the insurer whether the independent review organization needs any additional information to conduct the external review.
- 2. The independent review organization shall render a decision on the matter not later than 15 business days after the date that it receives all information that is necessary to conduct the external review.
- 3. In conducting the external review, the independent review organization shall consider, without limitation:
  - (a) The medical records of the insured:
- (b) Any recommendations of the [physician] health care provider, as defined in section 2 of this act, of the insured; and
- (c) Any other information approved by the Commissioner for consideration by an independent review organization.
- 4. In its decision, the independent review organization shall specify the reasons for its decision. The independent review organization shall submit a copy of its decision to:
  - (a) The injured employee;
  - (b) The employer;
  - (c) The insurer; and
  - (d) The appeals officer, if any.
- 5. The insurer shall pay the costs of the services provided by the independent review organization.
- 6. The Commissioner may adopt regulations to govern the process of external review and to carry out the provisions of this section. Any regulations adopted pursuant to this section must provide that:
- (a) All parties must agree to the submission of a matter to an independent review organization before a request for external review may be submitted;

- (b) A party may not be ordered to submit a matter to an independent review organization; and
- (c) The findings and decisions of an independent review organization are not binding.
  - Sec. 24. NRS 616C.390 is hereby amended to read as follows:
  - 616C.390 Except as otherwise provided in NRS 616C.392:
- 1. If an application to reopen a claim to increase or rearrange compensation is made in writing more than 1 year after the date on which the claim was closed, the insurer shall reopen the claim if:
- (a) A change of circumstances warrants an increase or rearrangement of compensation during the life of the claimant;
- (b) The primary cause of the change of circumstances is the injury for which the claim was originally made; and
- (c) The application is accompanied by the certificate of a [physician or a chiropractor] health care provider showing a change of circumstances which would warrant an increase or rearrangement of compensation.
- 2. After a claim has been closed, the insurer, upon receiving an application and for good cause shown, may authorize the reopening of the claim for medical investigation only. The application must be accompanied by a written request for treatment from the [physician or chiropractor] health care provider treating the claimant, certifying that the treatment is indicated by a change in circumstances and is related to the industrial injury sustained by the claimant.
- 3. If a claimant applies for a claim to be reopened pursuant to subsection 1 or 2 and a final determination denying the reopening is issued, the claimant shall not reapply to reopen the claim until at least 1 year after the date on which the final determination is issued.
- 4. Except as otherwise provided in subsection 5, if an application to reopen a claim is made in writing within 1 year after the date on which the claim was closed, the insurer shall reopen the claim only if:
- (a) The application is supported by medical evidence demonstrating an objective change in the medical condition of the claimant; and
- (b) There is clear and convincing evidence that the primary cause of the change of circumstances is the injury for which the claim was originally made.
- 5. An application to reopen a claim must be made in writing within 1 year after the date on which the claim was closed if:
- (a) The claimant did not meet the minimum duration of incapacity as set forth in NRS 616C.400 as a result of the injury; and
- (b) The claimant did not receive benefits for a permanent partial disability. 

  ☐ If an application to reopen a claim to increase or rearrange compensation is made pursuant to this subsection, the insurer shall reopen the claim if the requirements set forth in paragraphs (a), (b) and (c) of subsection 1 are met.
- 6. If an employee's claim is reopened pursuant to this section, the employee is not entitled to vocational rehabilitation services or benefits for a temporary total disability if, before the claim was reopened, the employee:
  - (a) Retired; or

- (b) Otherwise voluntarily removed himself or herself from the workforce,
- → for reasons unrelated to the injury for which the claim was originally made.
- 7. One year after the date on which the claim was closed, an insurer may dispose of the file of a claim authorized to be reopened pursuant to subsection 5, unless an application to reopen the claim has been filed pursuant to that subsection.
- 8. An increase or rearrangement of compensation is not effective before an application for reopening a claim is made unless good cause is shown. The insurer shall, upon good cause shown, allow the cost of emergency treatment the necessity for which has been certified by a [physician or a chiropractor.] health care provider.
- 9. A claim that closes pursuant to subsection 2 of NRS 616C.235 and is not appealed or is unsuccessfully appealed pursuant to the provisions of NRS 616C.305 and 616C.315 to 616C.385, inclusive, may not be reopened pursuant to this section.
- 10. The provisions of this section apply to any claim for which an application to reopen the claim or to increase or rearrange compensation is made pursuant to this section, regardless of the date of the injury or accident to the claimant. If a claim is reopened pursuant to this section, the amount of any compensation or benefits provided must be determined in accordance with the provisions of NRS 616C.425.
  - 11. As used in this section:
- (a) "Governmental program" means any program or plan under which a person receives payments from a public form of retirement. Such payments from a public form of retirement include, without limitation:
- (1) Social security received as a result of the Social Security Act, as defined in NRS 287.120;
- (2) Payments from the Public Employees' Retirement System, as established by NRS 286.110;
  - (3) Payments from the Retirees' Fund, as defined in NRS 287.04064;
- (4) A disability retirement allowance, as defined in NRS 1A.040 and 286.031:
  - (5) A retirement allowance, as defined in NRS 218C.080; and
- (6) A service retirement allowance, as defined in NRS 1A.080 and 286.080.
- (b) "Health care provider" has the meaning ascribed to it in section 2 of this act.
- (c) "Retired" means a person who, on the date he or she filed for reopening a claim pursuant to this section:
  - (1) Is not employed or earning wages; and
  - (2) Receives benefits or payments for retirement from a:
    - (I) Pension or retirement plan;
    - (II) Governmental program; or
- (III) Plan authorized by 26 U.S.C.  $\S$  401(a), 401(k), 403(b), 457 or 3121.

- $\{(e)\}$  (d) "Wages" means any remuneration paid by an employer to an employee for the personal services of the employee, including, without limitation:
  - (1) Commissions and bonuses; and
  - (2) Remuneration payable in any medium other than cash.
  - Sec. 25. NRS 616C.475 is hereby amended to read as follows:
- 616C.475 1. Except as otherwise provided in this section, NRS 616C.175 and 616C.390, every employee in the employ of an employer, within the provisions of chapters 616A to 616D, inclusive, of NRS, who is injured by accident arising out of and in the course of employment, or his or her dependents, is entitled to receive for the period of temporary total disability, 66 2/3 percent of the average monthly wage.
- 2. Except as otherwise provided in NRS 616B.028 and 616B.029, an injured employee or his or her dependents are not entitled to accrue or be paid any benefits for a temporary total disability during the time the injured employee is incarcerated. The injured employee or his or her dependents are entitled to receive such benefits when the injured employee is released from incarceration if the injured employee is certified as temporarily totally disabled by a physician or chiropractor.
- 3. If a claim for the period of temporary total disability is allowed, the first payment pursuant to this section must be issued by the insurer within 14 working days after receipt of the initial certification of disability and regularly thereafter.
- 4. Any increase in compensation and benefits effected by the amendment of subsection 1 is not retroactive.
  - 5. Payments for a temporary total disability must cease when:
- (a) A physician or chiropractor determines that the employee is physically capable of any gainful employment for which the employee is suited, after giving consideration to the employee's education, training and experience;
- (b) The employer offers the employee light-duty employment or employment that is modified according to the limitations or restrictions imposed by a physician or chiropractor, *or the employee's treating health care provider*, pursuant to subsection 7; or
- (c) Except as otherwise provided in NRS 616B.028 and 616B.029, the employee is incarcerated.
- 6. Each insurer may, with each check that it issues to an injured employee for a temporary total disability, include a form approved by the Division for the injured employee to request continued compensation for the temporary total disability.
- 7. A certification of disability issued by a physician or chiropractor *or the employee's treating health care provider* must:
- (a) Include the period of disability and a description of any physical limitations or restrictions imposed upon the work of the employee;
- (b) Specify whether the limitations or restrictions are permanent or temporary; and

- (c) Be signed by the [treating] physician or chiropractor, or the employee's treating health care provider authorized pursuant to NRS 616B.527 or appropriately chosen pursuant to subsection [3 or] 4 or 5 of NRS 616C.090.
- 8. If the certification of disability specifies that the physical limitations or restrictions are temporary, the employer of the employee at the time of the employee's accident may offer temporary, light-duty employment to the employee. If the employer makes such an offer, the employer shall confirm the offer in writing within 10 days after making the offer. The making, acceptance or rejection of an offer of temporary, light-duty employment pursuant to this subsection does not affect the eligibility of the employee to receive vocational rehabilitation services, including compensation, and does not exempt the employer from complying with NRS 616C.545 to 616C.575, inclusive, and 616C.590 or the regulations adopted by the Division governing vocational rehabilitation services. Any offer of temporary, light-duty employment made by the employer must specify a position that:
- (a) Is substantially similar to the employee's position at the time of his or her injury in relation to the location of the employment and the hours the employee is required to work;
  - (b) Provides a gross wage that is:
- (1) If the position is in the same classification of employment, equal to the gross wage the employee was earning at the time of his or her injury; or
- (2) If the position is not in the same classification of employment, substantially similar to the gross wage the employee was earning at the time of his or her injury; and
- (c) Has the same employment benefits as the position of the employee at the time of his or her injury.
- 9. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 26. NRS 616C.490 is hereby amended to read as follows:
- 616C.490 1. Except as otherwise provided in NRS 616C.175, every employee, in the employ of an employer within the provisions of chapters 616A to 616D, inclusive, of NRS, who is injured by an accident arising out of and in the course of employment is entitled to receive the compensation provided for permanent partial disability. As used in this section, "disability" and "impairment of the whole person" are equivalent terms.
  - 2. Except as otherwise provided in subsection 3:
- (a) Within 30 days after receiving from a physician or chiropractor a report indicating that the injured employee may have suffered a permanent disability and is stable and ratable, the insurer shall schedule an appointment with the rating physician or chiropractor selected pursuant to this subsection to determine the extent of the employee's disability.
- (b) Unless the insurer and the injured employee otherwise agree to a rating physician or chiropractor:

- [(a)] (1) The insurer shall select the rating physician or chiropractor from the list of qualified rating physicians and chiropractors designated by the Administrator, to determine the percentage of disability in accordance with the American Medical Association's <u>Guides to the Evaluation of Permanent Impairment</u> as adopted and supplemented by the Division pursuant to NRS 616C.110.
- [(b)] (2) Rating physicians and chiropractors must be selected in rotation from the list of qualified physicians and chiropractors designated by the Administrator, according to their area of specialization and the order in which their names appear on the list unless the next physician or chiropractor is currently an employee of the insurer making the selection, in which case the insurer must select the physician or chiropractor who is next on the list and who is not currently an employee of the insurer.
- 3. Notwithstanding any other provision of law, an injured employee or the legal representative of an injured employee may, at any time, without limitation, request that the Administrator select a rating physician or chiropractor from the list of qualified physicians and chiropractors designated by the Administrator. The Administrator, upon receipt of the request, shall immediately select for the injured employee the rating physician or chiropractor who is next in rotation on the list, according to the area of specialization.
- 4. If an insurer contacts [the] a treating physician or chiropractor to determine whether an injured employee has suffered a permanent disability, the insurer shall deliver to the treating physician or chiropractor that portion or a summary of that portion of the American Medical Association's <u>Guides to the Evaluation of Permanent Impairment</u> as adopted by the Division pursuant to NRS 616C.110 that is relevant to the type of injury incurred by the employee.
- [4.] 5. At the request of the insurer, the injured employee shall, before an evaluation by a rating physician or chiropractor is performed, notify the insurer of:
- (a) Any previous evaluations performed to determine the extent of any of the employee's disabilities; and
- (b) Any previous injury, disease or condition sustained by the employee which is relevant to the evaluation performed pursuant to this section.
- → The notice must be on a form approved by the Administrator and provided to the injured employee by the insurer at the time of the insurer's request.
- [5.] 6. Unless the regulations adopted pursuant to NRS 616C.110 provide otherwise, a rating evaluation must include an evaluation of the loss of motion, sensation and strength of an injured employee if the injury is of a type that might have caused such a loss. Except in the case of claims accepted pursuant to NRS 616C.180, no factors other than the degree of physical impairment of the whole person may be considered in calculating the entitlement to compensation for a permanent partial disability.

- [6.] 7. The rating physician or chiropractor shall provide the insurer with his or her evaluation of the injured employee. After receiving the evaluation, the insurer shall, within 14 days, provide the employee with a copy of the evaluation and notify the employee:
- (a) Of the compensation to which the employee is entitled pursuant to this section; or
- (b) That the employee is not entitled to benefits for permanent partial disability.
- [7.] 8. Each 1 percent of impairment of the whole person must be compensated by a monthly payment:
- (a) Of 0.5 percent of the claimant's average monthly wage for injuries sustained before July 1, 1981;
- (b) Of 0.6 percent of the claimant's average monthly wage for injuries sustained on or after July 1, 1981, and before June 18, 1993;
- (c) Of 0.54 percent of the claimant's average monthly wage for injuries sustained on or after June 18, 1993, and before January 1, 2000; and
- (d) Of 0.6 percent of the claimant's average monthly wage for injuries sustained on or after January 1, 2000.
- → Compensation must commence on the date of the injury or the day following the termination of temporary disability compensation, if any, whichever is later, and must continue on a monthly basis for 5 years or until the claimant is 70 years of age, whichever is later.
- [8.] 9. Compensation benefits may be paid annually to claimants who will be receiving less than \$100 a month.
- [9.] 10. Except as otherwise provided in subsection [10.] 11, if there is a previous disability, as the loss of one eye, one hand, one foot, or any other previous permanent disability, the percentage of disability for a subsequent injury must be determined by computing the percentage of the entire disability and deducting therefrom the percentage of the previous disability as it existed at the time of the subsequent injury.
- [10.] 11. If a rating evaluation was completed for a previous disability involving a condition, organ or anatomical structure that is identical to the condition, organ or anatomical structure being evaluated for the present disability, the percentage of disability for a subsequent injury must be determined by deducting the percentage of the previous disability from the percentage of the present disability, regardless of the edition of the American Medical Association's <u>Guides to the Evaluation of Permanent Impairment</u> as adopted by the Division pursuant to NRS 616C.110 used to determine the percentage of the previous disability. The compensation awarded for a permanent disability on a subsequent injury must be reduced only by the awarded or agreed upon percentage of disability actually received by the injured employee for the previous injury regardless of the percentage of the previous disability.

- [11.] 12. The Division may adopt schedules for rating permanent disabilities resulting from injuries sustained before July 1, 1973, and reasonable regulations to carry out the provisions of this section.
- [12.] 13. The increase in compensation and benefits effected by the amendment of this section is not retroactive for accidents which occurred before July 1, 1973.
- [13.] 14. This section does not entitle any person to double payments for the death of an employee and a continuation of payments for a permanent partial disability, or to a greater sum in the aggregate than if the injury had been fatal.
  - Sec. 27. NRS 616C.495 is hereby amended to read as follows:
- 616C.495 1. Except as otherwise provided in NRS 616C.380, an award for a permanent partial disability may be paid in a lump sum under the following conditions:
- (a) A claimant injured on or after July 1, 1973, and before July 1, 1981, who incurs a disability that does not exceed 12 percent may elect to receive his or her compensation in a lump sum. A claimant injured on or after July 1, 1981, and before July 1, 1995, who incurs a disability that does not exceed 30 percent may elect to receive his or her compensation in a lump sum.
- (b) The spouse, or in the absence of a spouse, any dependent child of a deceased claimant injured on or after July 1, 1973, who is not entitled to compensation in accordance with NRS 616C.505, is entitled to a lump sum equal to the present value of the deceased claimant's undisbursed award for a permanent partial disability.
- (c) Any claimant injured on or after July 1, 1981, and before July 1, 1995, who incurs a disability that exceeds 30 percent may elect to receive his or her compensation in a lump sum equal to the present value of an award for a disability of 30 percent. If the claimant elects to receive compensation pursuant to this paragraph, the insurer shall pay in installments to the claimant that portion of the claimant's disability in excess of 30 percent.
- (d) Any claimant injured on or after July 1, 1995, and before January 1, 2016, who incurs a disability that:
- (1) Does not exceed 25 percent may elect to receive his or her compensation in a lump sum.
  - (2) Exceeds 25 percent may:
- (I) Elect to receive his or her compensation in a lump sum equal to the present value of an award for a disability of 25 percent. If the claimant elects to receive compensation pursuant to this sub-subparagraph, the insurer shall pay in installments to the claimant that portion of the claimant's disability in excess of 25 percent.
- (II) To the extent that the insurer has offered to provide compensation in a lump sum up to the present value of an award for disability of 30 percent, elect to receive his or her compensation in a lump sum up to the present value of an award for a disability of 30 percent. If the claimant elects to receive compensation pursuant to this sub-subparagraph, the insurer shall pay in

installments to the claimant that portion of the claimant's disability in excess of 30 percent.

- (e) Any claimant injured on or after January 1, 2016, and before July 1, 2017, who incurs a disability that:
- (1) Does not exceed 30 percent may elect to receive his or her compensation in a lump sum.
- (2) Exceeds 30 percent may elect to receive his or her compensation in a lump sum equal to the present value of an award for a disability of 30 percent. If the claimant elects to receive compensation pursuant to this subparagraph, the insurer shall pay in installments to the claimant that portion of the claimant's disability in excess of 30 percent.
- (f) Any claimant injured on or after July 1, 2017, who incurs a disability that exceeds 30 percent may elect to receive his or her compensation in a lump sum equal to the present value of an award for a disability of up to 30 percent. If the claimant elects to receive compensation pursuant to this paragraph, the insurer shall pay in installments to the claimant that portion of the claimant's disability in excess of 30 percent.
- (g) If the permanent partial disability rating of a claimant seeking compensation pursuant to this section would, when combined with any previous permanent partial disability rating of the claimant that resulted in an award of benefits to the claimant, result in the claimant having a total permanent partial disability rating in excess of 100 percent, the claimant's disability rating upon which compensation is calculated must be reduced by such percentage as required to limit the total permanent partial disability rating of the claimant for all injuries to not more than 100 percent.
- 2. If the claimant elects to receive his or her payment for a permanent partial disability in a lump sum pursuant to subsection 1, all of the claimant's benefits for compensation terminate. The claimant's acceptance of that payment constitutes a final settlement of all factual and legal issues in the case. By so accepting the claimant waives all of his or her rights regarding the claim, including the right to appeal from the closure of the case or the percentage of his or her disability, except:
  - (a) The right of the claimant to:
- (1) Reopen his or her claim in accordance with the provisions of NRS 616C.390; or
- (2) Have his or her claim considered by his or her insurer pursuant to NRS 616C.392;
- (b) Any counseling, training or other rehabilitative services provided by the insurer; and
- (c) The right of the claimant to receive a benefit penalty in accordance with NRS 616D.120.
- → The claimant, when he or she demands payment in a lump sum, must be provided with a written notice which prominently displays a statement describing the effects of accepting payment in a lump sum of an entire permanent partial disability award, any portion of such an award or any

uncontested portion of such an award, and that the claimant has 20 days after the mailing or personal delivery of the notice within which to retract or reaffirm the demand, before payment may be made and the claimant's election becomes final.

- 3. Any lump-sum payment which has been paid on a claim incurred on or after July 1, 1973, must be supplemented if necessary to conform to the provisions of this section.
- 4. Except as otherwise provided in this subsection, the total lump-sum payment for disablement must not be less than one-half the product of the average monthly wage multiplied by the percentage of disability. If the claimant received compensation in installment payments for his or her permanent partial disability before electing to receive payment for that disability in a lump sum, the lump-sum payment must be calculated for the remaining payment of compensation.
- 5. The lump sum payable must be equal to the present value of the compensation awarded, less any advance payment or lump sum previously paid. The present value must be calculated using monthly payments in the amounts prescribed in subsection [7] 8 of NRS 616C.490 and actuarial annuity tables adopted by the Division. The tables must be reviewed annually by a consulting actuary and must be adjusted accordingly on July 1 of each year by the Division using:
- (a) The most recent unisex "Static Mortality Tables for Defined Benefit Pension Plans" published by the Internal Revenue Service; and
- (b) The average 30-Year Treasury Constant Maturity Rate for March of the current year as reported by the Board of Governors of the Federal Reserve System.
- 6. If a claimant would receive more money by electing to receive compensation in a lump sum than the claimant would if he or she receives installment payments, the claimant may elect to receive the lump-sum payment.
  - Sec. 28. NRS 616C.545 is hereby amended to read as follows:
- 616C.545 *1*. If an employee does not return to work for 28 consecutive calendar days as a result of an injury arising out of and in the course of his or her employment or an occupational disease, the insurer shall contact the treating [physician or chiropractor] health care provider to determine whether:
- [1.] (a) There are physical limitations on the injured employee's ability to work; and
- [2.] (b) The limitations, if any, are permanent or temporary.
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 29. NRS 616C.550 is hereby amended to read as follows:
- 616C.550 1. If benefits for a temporary total disability will be paid to an injured employee for more than 90 days, the insurer or the injured employee may request a vocational rehabilitation counselor to prepare a written assessment of the injured employee's ability or potential to return to:

- (a) The position the employee held at the time that he or she was injured; or
- (b) Any other gainful employment.
- 2. Before completing the written assessment, the counselor shall:
- (a) Contact the injured employee and:
- (1) Identify the injured employee's educational background, work experience and career interests; and
- (2) Determine whether the injured employee has any existing marketable skills.
- (b) Contact the injured employee's treating [physician or chiropractor] health care provider and determine:
- (1) Whether the employee has any temporary or permanent physical limitations;
  - (2) The estimated duration of the limitations;
  - (3) Whether there is a plan for continued medical treatment; and
- (4) When the employee may return to the position that the employee held at the time of his or her injury or to any other position. The treating [physician or chiropractor] health care provider shall determine whether an employee may return to the position that the employee held at the time of his or her injury.
- 3. Except as otherwise provided in NRS 616C.542 and 616C.547, a vocational rehabilitation counselor shall prepare a written assessment not more than 30 days after receiving a request for a written assessment pursuant to subsection 1. The written assessment must contain a determination as to whether the employee is eligible for vocational rehabilitation services pursuant to NRS 616C.590. If the insurer, with the assistance of the counselor, determines that the employee is eligible for vocational rehabilitation services, a plan for a program of vocational rehabilitation must be completed pursuant to NRS 616C.555.
- 4. The Division may, by regulation, require a written assessment to include additional information.
- 5. If an insurer determines that a written assessment requested pursuant to subsection 1 is impractical because of the expected duration of the injured employee's total temporary disability, the insurer shall:
- (a) Complete a written report which specifies the insurer's reasons for the decision; and
  - (b) Review the claim at least once every 60 days.
- 6. The insurer shall deliver a copy of the written assessment or the report completed pursuant to subsection 5 to the injured employee, his or her employer, the treating [physician or chiropractor] health care provider and the injured employee's attorney or representative, if applicable.
- 7. For the purposes of this section, "existing marketable skills" include, but are not limited to:
  - (a) Completion of:
    - (1) A program at a trade school;
    - (2) A program which resulted in an associate's degree; or

- (3) A course of study for certification,
- if the program or course of study provided the skills and training necessary for the injured employee to be gainfully employed on a reasonably continuous basis in an occupation that is reasonably available in this State.
- (b) Completion of a 2-year or 4-year program at a college or university which resulted in a degree.
- (c) Completion of any portion of a program for a graduate's degree at a college or university.
- (d) Skills acquired in previous employment, including those acquired during an apprenticeship or a program for on-the-job training.
- The skills set forth in paragraphs (a) to (d), inclusive, must have been acquired within the preceding 7 years and be compatible with the physical limitations of the injured employee to be considered existing marketable skills.
- 8. Each written assessment of an injured employee must be signed by a certified vocational rehabilitation counselor.
- 9. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 30. NRS 616C.555 is hereby amended to read as follows:
- 616C.555 1. A vocational rehabilitation counselor shall develop a plan for a program of vocational rehabilitation for each injured employee who is eligible for vocational rehabilitation services pursuant to NRS 616C.590. The counselor shall work with the insurer and the injured employee to develop a program that is compatible with the injured employee's age, sex and physical condition.
- 2. If the counselor determines in a written assessment requested pursuant to NRS 616C.550 that the injured employee has existing marketable skills, the plan must consist of job placement assistance only. When practicable, the goal of job placement assistance must be to aid the employee in finding a position which pays a gross wage that is equal to or greater than 80 percent of the gross wage that the employee was earning at the time of his or her injury. An injured employee must not receive job placement assistance for more than 6 months after the date on which the injured employee was notified that he or she is eligible only for job placement assistance because:
  - (a) The injured employee was physically capable of returning to work; or
- (b) It was determined that the injured employee had existing marketable skills.
- 3. If the counselor determines in a written assessment requested pursuant to NRS 616C.550 that the injured employee does not have existing marketable skills, the plan must consist of a program which trains or educates the injured employee and provides job placement assistance. Except as otherwise provided in NRS 616C.560, such a program must not exceed:
- (a) If the injured employee has incurred a permanent disability as a result of which permanent restrictions on the ability of the injured employee to work have been imposed but no permanent physical impairment rating has been

issued, or a permanent disability with a permanent physical impairment of 1 percent or more but less than 6 percent, 9 months.

- (b) If the injured employee has incurred a permanent physical impairment of 6 percent or more, but less than 11 percent, 1 year.
- (c) If the injured employee has incurred a permanent physical impairment of 11 percent or more, 18 months.
- → The percentage of the injured employee's permanent physical impairment must be determined pursuant to NRS 616C.490.
- 4. A plan for a program of vocational rehabilitation must comply with the requirements set forth in NRS 616C.585.
- 5. A plan created pursuant to subsection 2 or 3 must assist the employee in finding a job or train or educate the employee and assist the employee in finding a job that is a part of an employer's regular business operations and from which the employee will gain skills that would generally be transferable to a job with another employer.
- 6. A program of vocational rehabilitation must not commence before the treating [physician or chiropractor,] health care provider or an examining physician or chiropractor determines that the injured employee is capable of safely participating in the program.
- 7. If, based upon the opinion of a treating *health care provider* or an examining physician or chiropractor, the counselor determines that an injured employee is not eligible for vocational rehabilitation services, the counselor shall provide a copy of the opinion to the injured employee, the injured employee's employer and the insurer.
- 8. A plan for a program of vocational rehabilitation must be signed by a certified vocational rehabilitation counselor.
- 9. If an initial program of vocational rehabilitation pursuant to this section is unsuccessful, an injured employee may submit a written request for the development of a second program of vocational rehabilitation which relates to the same injury. An insurer shall authorize a second program for an injured employee upon good cause shown.
- 10. If a second program of vocational rehabilitation pursuant to subsection 9 is unsuccessful, an injured employee may submit a written request for the development of a third program of vocational rehabilitation which relates to the same injury. The insurer, with the approval of the employer who was the injured employee's employer at the time of his or her injury, may authorize a third program for the injured employee. If such an employer has terminated operations, the employer's approval is not required for authorization of a third program. An insurer's determination to authorize or deny a third program of vocational rehabilitation may not be appealed.
- 11. The Division shall adopt regulations to carry out the provisions of this section. The regulations must specify the contents of a plan for a program of vocational rehabilitation.
- 12. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.

- Sec. 31. NRS 616C.590 is hereby amended to read as follows:
- 616C.590 1. Except as otherwise provided in this section, an injured employee is not eligible for vocational rehabilitation services, unless:
- (a) The treating {physician or chiropractor} health care provider approves the return of the injured employee to work but imposes permanent restrictions that prevent the injured employee from returning to the position that the employee held at the time of his or her injury;
  - (b) The injured employee's employer does not offer employment that:
- (1) The employee is eligible for considering the restrictions imposed pursuant to paragraph (a);
- (2) Provides a gross wage that is equal to or greater than 80 percent of the gross wage that the employee was earning at the time of injury; and
- (3) Has the same employment benefits as the position of the employee at the time of his or her injury; and
- (c) The injured employee is unable to return to gainful employment with any other employer at a gross wage that is equal to or greater than 80 percent of the gross wage that the employee was earning at the time of his or her injury.
- 2. If the treating <del>[physician or chiropractor]</del> health care provider imposes permanent restrictions on the injured employee for the purposes of paragraph (a) of subsection 1, he or she shall specify in writing:
- (a) The medically objective findings upon which his or her determination is based; and
  - (b) A detailed description of the restrictions.
- → The treating [physician or chiropractor] health care provider shall deliver a copy of the findings and the description of the restrictions to the insurer.
- 3. If there is a question as to whether the restrictions imposed upon the injured employee are permanent, the employee may receive vocational rehabilitation services until a final determination concerning the duration of the restrictions is made.
- 4. Vocational rehabilitation services must cease as soon as the injured employee is no longer eligible for the services pursuant to subsection 1.
- 5. An injured employee is not entitled to vocational rehabilitation services solely because the position that the employee held at the time of his or her injury is no longer available.
- 6. An injured employee or the dependents of the injured employee are not entitled to accrue or be paid any money for vocational rehabilitation services during the time the injured employee is incarcerated.
- 7. Any injured employee eligible for compensation other than accident benefits may not be paid those benefits if the injured employee refuses counseling, training or other vocational rehabilitation services offered by the insurer. Except as otherwise provided in NRS 616B.028 and 616B.029, an injured employee shall be deemed to have refused counseling, training and other vocational rehabilitation services while the injured employee is incarcerated.

- 8. If an insurer cannot locate an injured employee for whom it has ordered vocational rehabilitation services, the insurer may close his or her claim 21 days after the insurer determines that the employee cannot be located. The insurer shall make a reasonable effort to locate the employee.
- 9. The reappearance of the injured employee after his or her claim has been closed does not automatically reinstate his or her eligibility for vocational rehabilitation benefits. If the employee wishes to re-establish his or her eligibility for those benefits, the injured employee must file a written application with the insurer to reinstate the claim. The insurer shall reinstate the employee's claim if good cause is shown for the employee's absence.
- 10. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 32. NRS 616D.330 is hereby amended to read as follows:
- 616D.330 1. An insurer, an employer, an organization for managed care, a third-party administrator or the representative of any of those persons, the Nevada Attorney for Injured Workers or an attorney or other compensated representative of an injured employee shall not initiate:
- (a) Any oral communication relating to the medical disposition of the claim of an injured employee with the injured employee's *treating health care provider or* examining [or treating] physician or chiropractor unless the initiator of the oral communication:
- (1) Maintains, in written form or in a form from which a written record may be produced, a log that includes the date, time and subject matter of the communication; and
- (2) Makes the log available, upon request, to each insurer, organization for managed care and third-party administrator interested in the claim or the representative of each of those persons, the Administrator and the injured employee, the injured employee's representative and the injured employee's employer; or
- (b) Any written communication relating to the medical disposition of the claim with the injured employee's *treating health care provider or* examining [or treating] physician or chiropractor unless a copy of the communication is submitted to the injured employee or the injured employee's representative in a timely manner.
- 2. If the Administrator determines that a person has violated the provisions of this section, the Administrator shall:
  - (a) For an initial violation, issue a notice of correction.
- (b) For a second violation, impose an administrative fine of not more than \$250.
- (c) For a third or subsequent violation, impose an administrative fine of not more than \$1,000.
- 3. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.

- Sec. 33. NRS 617.352 is hereby amended to read as follows:
- 617.352 1. Except as otherwise provided in this section, a treating [physician or chiropractor] health care provider shall, within 3 working days after first providing treatment to an employee who has incurred an occupational disease, complete and file a claim for compensation with the employer of the employee and the employer's insurer. If the employer is a self-insured employer, the treating [physician or chiropractor] health care provider shall file the claim for compensation with the employer's third-party administrator. If the [physician or chiropractor] health care provider files the claim for compensation by electronic transmission, the [physician or chiropractor] health care provider shall, upon request, mail to the insurer or third-party administrator the form that contains the original signatures of the employee and the [physician or chiropractor.] health care provider. The form must be mailed within 7 days after receiving such a request.
- 2. A [physician or chiropractor] health care provider who has a duty to file a claim for compensation pursuant to subsection 1 may delegate the duty to a medical facility. If the [physician or chiropractor] health care provider delegates the duty to a medical facility:
- (a) The medical facility must comply with the filing requirements set forth in this section; and
  - (b) The delegation must be in writing and signed by:
    - (1) The [physician or chiropractor;] health care provider; and
    - (2) An authorized representative of the medical facility.
- 3. A claim for compensation required by subsection 1 must be filed on a form prescribed by the Administrator.
- 4. If a claim for compensation is accompanied by a certificate of disability, the certificate must include a description of any limitation or restrictions on the employee's ability to work.
- 5. Each [physician, chiropractor] health care provider and medical facility that treats employees who have incurred occupational diseases, each insurer, third-party administrator and employer, and the Division shall maintain at their offices a sufficient supply of the forms prescribed by the Administrator for filing a claim for compensation.
- 6. The Administrator may impose an administrative fine of not more than \$1,000 for each violation of subsection 1 on:
  - (a) A [physician or chiropractor;] health care provider; or
- (b) A medical facility if the duty to file the claim for compensation has been delegated to the medical facility pursuant to this section.
- 7. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 34. NRS 617.354 is hereby amended to read as follows:
- 617.354 1. Except as otherwise provided in NRS 616B.727, within 6 working days after the receipt of a claim for compensation from a [physician or chiropractor,] health care provider, or a medical facility if the duty to file the claim for compensation has been delegated to the medical facility pursuant

- to NRS 617.352, an employer shall complete and file with the employer's insurer or third-party administrator an employer's report of industrial injury or occupational disease.
  - 2. The report must:
  - (a) Be filed on a form prescribed by the Administrator;
  - (b) Be signed by the employer or the employer's designee;
- (c) Contain specific answers to all questions required by the regulations of the Administrator; and
- (d) Be accompanied by a statement of the wages of the employee if the claim for compensation received from the treating [physician or chiropractor,] health care provider, or a medical facility if the duty to file the claim for compensation has been delegated to the medical facility pursuant to NRS 617.352, indicates that the employee is expected to be off work for 5 days or more.
- 3. An employer who files the report required by subsection 1 by electronic transmission shall, upon request, mail to the insurer or third-party administrator the form that contains the original signature of the employer or the employer's designee. The form must be mailed within 7 days after receiving such a request.
- 4. The Administrator shall impose an administrative fine of not more than \$1,000 against an employer for each violation of this section.
- 5. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
  - Sec. 35. NRS 617.364 is hereby amended to read as follows:
- 617.364 *1.* If, after a claim for compensation is filed pursuant to NRS 617.344:
- $\{1.\}$  (a) The employee seeks treatment from a  $\{physician or chiropractor\}$  health care provider for a newly developed injury or disease; and
- [2.] (b) The employee's medical records for the occupational disease reported do not include a reference to the injury or disease for which treatment is being sought,
- → the injury or disease for which treatment is being sought must not be considered part of the employee's original claim for compensation unless the [physician or chiropractor] health care provider establishes by medical evidence a causal relationship between the injury and disease for which treatment is being sought and the occupational disease reported pursuant to NRS 617.344.
- 2. As used in this section, "health care provider" has the meaning ascribed to it in section 2 of this act.
- Sec. 36. The amendatory provisions of this act apply prospectively with regard to any claim pursuant to chapters 616A to 616D, inclusive, or 617 of NRS which is open on the effective date of this act.
  - Sec. 37. This act becomes effective upon passage and approval. Senator Spearman moved the adoption of the amendment.

## Remarks by Senator Spearman.

Amendment No. 487 makes five changes to Senate Bill No. 381. The amendment amends section 2 to authorize an injured employee to choose a healthcare provider from the full panel established by the Administrator of the Division of Industrial Relations of the Department of Business and Industry, if the insurer fails to maintain a list with the required number of physicians or chiropractors; amends section 2 to clarify the number of healthcare providers that must be on an insurer's list for an injured employee to choose from; amends subsection 10 of section 2 to clarify that "good cause" for removing a healthcare provider includes removal by the Administrator for failure of the healthcare provider to comply certain standards established by the Administrator; amends subsection 1 of section 8 to clarify what information the Administrator is required to maintain regarding each healthcare provider on the panel; amends section 8 to provide that an injured employee may change his or her treating healthcare provider in certain situations. with approval of the insurer or by order of a hearing officer or appeals officer and the insurer must respond to such a request within 10 days of receipt of a written request. Additionally, if the treating healthcare provider refers the injured employee to a specialist for treatment, the insurer must provide the employee a list of healthcare providers, which the employee is required to make a selection within 14 days.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 385.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 600.

SUMMARY—Revises provisions relating to insurance for personal property at storage facilities. (BDR 57-538)

AN ACT relating to insurance; providing for the regulation of persons who offer, sell, solicit or negotiate coverage of personal property storage insurance; providing for the issuance and renewal of [limited] licenses for such persons; providing for a producer of insurance to hold a line of authority for personal property storage insurance as a limited line; authorizing certain fees; [providing a penalty;] and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires the Commissioner of Insurance to regulate insurance in this State. (NRS 679B.120) Existing law authorizes the Commissioner to license producers of insurance to solicit, negotiate and sell insurance in this State. (NRS 683A.261) Under existing law, a person is not authorized to engage in the business of transacting insurance unless the person is issued a license by the Commissioner. (NRS 683A.201) Sections [2-24] 2-23 of this bill provide for the regulation of and issuance of [limited] licenses to persons who offer, sell, solicit or negotiate coverage under a new limited line of insurance, personal property storage insurance, which provides coverage for any loss or theft of personal property stored in a storage space at a facility or while the property is in transit to or from the facility during the time period

covered by the occupant's rental agreement in accordance with the terms of the policy. Sections 3-11 of this bill define certain words and terms used in this bill. Section 12 of this bill authorizes the Commissioner to issue a [limited] license to an owner of a facility to offer, sell, solicit or negotiate coverage under a policy of personal property storage insurance. Section 13 of this bill exempts such facility owners from certain requirements in existing law concerning education and a written examination to become licensed. Fas a limited licensee. Sections 13 and 25 of this bill exempt such facility owners from being required to hold any other license or authorization.] Section 14 of this bill authorizes such a [limited] licensee to offer, sell, solicit or negotiate personal property storage insurance. For behalf of a supervising entity, which is defined as a licensed insurer or producer of insurance.] Section 15 of this bill requires [limited] such licensees to make certain disclosures in writing to prospective purchasers of personal property storage insurance. Section 16 of this bill allows insurance coverage that is required as a condition of a rental agreement to be met by the occupant purchasing such coverage from the [limited] licensee or presenting evidence of other applicable insurance coverage. Section 17 of this bill provides that a [limited] licensee is [not] a fiduciary with respect to the money received for the purchase of personal property storage insurance. <del>[provided that the charges are itemized and</del> ancillary to a rental agreement.] Section 18 of this bill provides that a [limited] licensee may authorize an employee or other authorized representative of the [limited] licensee to act individually on behalf or under the supervision of the <del>[limited]</del> licensee with respect to personal property storage insurance. Section 19 of this bill requires a [Himited] licensee to provide basic instruction to such employees and authorized representatives about personal property storage insurance and the requirements of sections [2-24.] 2-23. Such training may be provided by the supervising entity of the [limited] licensee. Section 20 of this bill requires the Commissioner to prescribe forms and adopt regulations necessary to carry out the provisions of sections [2-24.] 2-23. Section 20 also authorizes the Commissioner to establish fees for [limited] licensees. Section 21 of this bill prohibits a [limited] licensee from advertising, representing or otherwise holding itself or any of its employees out as a licensed insurer, insurance agent or insurance broker. Section 22 of this bill allows a limited licensee to receive compensation from a supervising entity for sales, billing and collection services.] Section 23 of this bill makes a supervising entity responsible for the acts of each [limited] licensee [and the employees or authorized agents of the limited licensee who offer or disseminate personal property storage insurance under the license of the supervising entity. The] and the supervising entity is required to use every reasonable means to ensure compliance with the provisions of sections  $\frac{224}{12}$ 2-23 and any regulations adopted pursuant thereto. Section 24 of this bill subjects each limited licensee to the disciplinary provisions applicable to licensed producers of insurance and the provisions of chapter 686A of NRS governing insurance trade practices and fraud, including the existing

misdemeanor penalty. (NRS 683A.490)] Section 26 of this bill adds personal property storage insurance to the list of lines of insurance for which a producer of insurance may be licensed. [Sections 27-29 of this bill make conforming changes related to the issuance of limited licenses pursuant to this bill.]

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

- Section 1. Chapter 683A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to [24,] 23, inclusive, of this act.
- Sec. 2. As used in sections 2 to  $\frac{24,1}{23}$ , inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 11, inclusive, of this act have the meanings ascribed to them in those sections.
  - Sec. 3. "Facility" has the meaning ascribed to it in NRS 108.4733.
- Sec. 4. ["Limited licensee" means an owner issued a limited license pursuant to section 12 of this act to offer, sell, solicit or negotiate personal property storage insurance pursuant to sections 2 to 24, inclusive, of this act.] (Deleted by amendment.)
  - Sec. 5. "Occupant" has the meaning ascribed to it in NRS 108.4735.
  - Sec. 6. "Owner" has the meaning ascribed to it in NRS 108.474.
- Sec. 7. "Personal property" has the meaning ascribed to it in NRS 108.4743.
- Sec. 8. "Personal property storage insurance" means insurance coverage described in [subsections] paragraphs (a) and (b) of subsection 1 [and 2] of section 14 of this act.
- Sec. 9. "Rental agreement" has the meaning ascribed to it in NRS 108.4745.
  - Sec. 10. "Storage space" has the meaning ascribed to it in NRS 108.4746.
- Sec. 11. "Supervising entity" means a business or entity that is <del>[a licensed]</del> an authorized insurer or producer of property and casualty insurance.
- Sec. 12. 1. The Commissioner may issue to an owner who is in compliance with the requirements of sections 2 to [24,] 23, inclusive, of this act, and any regulations adopted pursuant thereto, a [Himited] license to offer, sell, solicit or negotiate personal property storage insurance pursuant to sections 2 to [24,] 23, inclusive, of this act [through a supervising entity] to occupants who have entered into a rental agreement with the owner.
- 2. <u>IAn applicant for the initial issuance of a limited license must submit to the Commissioner an application on a form prescribed by the Commissioner pursuant to section 20 of this act and an initial application fee, if any, required by the Commissioner pursuant to section 20 of this act.</u>] Notwithstanding the provisions of section 13 of this act, a license for personal property storage insurance may be issued and renewed pursuant to NRS 683A.261.
- 3. A [limited] license issued pursuant to this section covers all facilities at which the owner conducts business. [is valid for 3 years after the date of issuance.] The Commissioner may renew the [limited] license if the [limited] licensee remains in compliance with the requirements of sections 2 to [24,] 23.

inclusive, <del>[or]</del> of this act, and any regulations adopted pursuant thereto. <del>[To renew a limited license, the limited licensee must submit to the Commissioner an application on a form prescribed by the Commissioner pursuant to section 20 of this act and a renewal fee, if any, required by the Commissioner pursuant to section 20 of this act.]</del>

- 4. An owner is not required to be licensed under this chapter solely to display and make available marketing and promotional materials created by an authorized insurer offering a product pursuant to sections 2 to 23, inclusive, of this act.
- Sec. 13. [1.] An applicant for, or holder of, a [limited] license issued pursuant to section 12 of this act is not required to pass a written examination or meet any prelicensing education or continuing education requirements to receive or renew the [limited] license.
- [ 2. An applicant for, or holder of, a limited license issued pursuant to section 12 of this act is not required to hold any other license or authorization, including, without limitation, a license as a producer of insurance.]
- Sec. 14. <u>1.</u> A {limited} licensee may offer, sell, solicit or negotiate personal property storage insurance <del>[on behalf of a supervising entity, or as part of a group, commercial or master policy, only to provide personal property storage insurance to occupants of the facility of the limited licensee, only in connection with a rental agreement <del>[and only for either an individual policy, for an individual occupant or a group, commercial or master policy for one or more occupants of the facility of the limited licensee for personal property storage insurance.] only as individual coverage for an individual occupant or group coverage for one or more occupants of the facility. A <del>[limited]</del> licensee is only authorized to provide to such occupants personal property storage insurance coverage for the following:</del></del>
- [1.] (a) The loss of or damage to personal property stored in a storage space at the facility where the loss or damage occurs or while the personal property is in transit to or from the facility during the time period covered by the rental agreement of the occupant.
- [2.] (b) Other loss directly related to the rental agreement of the occupant.

  2. Notwithstanding the provisions of any law to the contrary, the rates for any personal property storage insurance sold by a licensee to one or more occupants of the facility of the licensee must be filed with the Commissioner pursuant to chapter 686B of NRS.
- Sec. 15. A [limited] licensee shall not offer, sell, solicit or negotiate personal property storage insurance unless the [limited] licensee [provides] makes readily available to the occupant or prospective occupant written [material] or electronic materials that [contains:] contain:
- 1. [A] The actual terms of the insurance coverage, or a summary of the terms of the insurance coverage, including, without limitation, the identity of the supervising entity.
- 2. A conspicuous disclosure that the {policy of} insurance may provide a duplication of coverage already provided by an existing policy of insurance.

- 3. A description of the process for filing a claim in the event the occupant elects to purchase coverage and experiences a covered loss.
- 4. Information regarding the price, deductible, benefits, exclusions, conditions and any other limitations of the *[policy.]* insurance.
- 5. A statement that the purchase by the occupant of personal property storage insurance from the *[limited]* licensee is not required to rent storage space.
- 6. A statement that the *[limited]* licensee is not authorized to evaluate the adequacy of any existing insurance coverage of the occupant, unless the *[limited]* licensee is otherwise licensed to perform such an evaluation.
- 7. A statement that the occupant may cancel the insurance at any time, and any unearned premium must be refunded in accordance with applicable law.
- Sec. 16. If insurance covering the losses described in [subsections] paragraphs (a) and (b) of subsection 1 [and 2] of section 14 of this act is required as a condition of a rental agreement, that requirement may be satisfied by an occupant or a prospective occupant:
- 1. Purchasing personal property storage insurance from the [limited] licensee; or
- 2. Presenting to the owner of the facility evidence of other applicable insurance coverage.
- Sec. 17. [A limited licensee is not required to treat money collected from occupants for personal property storage insurance as money received in a fiduciary capacity if the charges for personal property storage insurance are itemized and ancillary to a rental agreement.]
- 1. If a customer purchases personal property storage insurance from the licensee, the licensee may bill and collect the charges for the personal property storage insurance.
- 2. A licensee which bills and collects charges for personal property storage insurance coverage on behalf of an insurer is not required to maintain such money in a segregated account if the licensee:
- (a) Is authorized by the insurer to hold such money in an alternative manner; and
- (b) Remits such amounts to the supervising entity within 60 days after receipt.
- 3. A licensee may receive compensation from a supervising entity for sales, billing and collection services. Such compensation may be dependent on the sale of the types of coverage described in sections 2 to 23, inclusive, of this act.
- → All money collected by a licensee from an enrolled customer for the sale of personal property storage insurance shall be deemed to be held in trust by the licensee in a fiduciary capacity for the benefit of the insurer, and the insurer shall be deemed to have received the premium from the enrolled customer upon payment of the premium by the enrolled customer to the licensee.
- Sec. 18. A *[limited]* licensee may authorize an employee or other authorized representative of the *[limited]* licensee to act individually on behalf

of or under the supervision of the *[limited]* licensee who offers or disseminates information with respect to personal property storage insurance specified in sections *[2]* 14 to *[24,]* 23, inclusive, of this act.

- Sec. 19. Each [limited] licensee shall provide a training program, which may be provided by a supervising entity, in which employees and authorized representatives of the [limited] licensee shall receive basic instruction about the requirements of sections 2 to [24,] 23, inclusive, of this act, and the coverage to be offered for purchase by occupants or prospective occupants.
  - Sec. 20. 1. The Commissioner shall:
- (a) Prescribe the forms for an owner to apply initially for a <del>{limited}</del> license and to renew a <del>{limited}</del> license; and
- (b) Adopt such regulations as are necessary to carry out the provisions of sections 2 to  $\frac{24}{124}$ , inclusive, of this act.
  - 2. The Commissioner may establish by regulation:
- (a) An initial application fee to be paid by an applicant for the initial issuance of a [Himited] license; and
- (b) A renewal fee to be paid by a {limited} licensee for the renewal of the {limited} license.
- Sec. 21. A *[limited]* licensee shall not advertise, represent or otherwise hold itself or any of its employees out as a licensed insurer. *[f, insurance agent or insurance broker.]*
- Sec. 22. [A limited licensee may receive compensation from a supervising entity for sales, billing and collection services. Such compensation may be dependent on the sale of the types of coverage described in sections 2 to 24, inclusive, of this act.] (Deleted by amendment.)
- Sec. 23. [A] The supervising entity designated by the insurer is responsible for the acts of each [limited] licensee [f, or employee or authorized representative of a limited licensee, who offers or disseminates personal property storage insurance under the license of the supervising entity] and shall use every reasonable means to ensure compliance by the [limited] licensee, or employee or authorized representative of the [limited] licensee, with the provisions of sections [2] 14 to [24,] 23, inclusive, of this act, and any regulations adopted pursuant thereto.
- Sec. 24. [A limited licensee who offers or disseminates personal property storage insurance pursuant to sections 2 to 24, inclusive, of this act is subject to the provisions of NRS 683A.451 to 683A.520, inclusive, and chapter 686A of NRS in the same manner as a licensed producer of insurance.] (Deleted by amendment.)
  - Sec. 25. [NRS 683A.211 is hereby amended to read as follows:
- <u>683A.211</u> The following persons need not be licensed as producers of insurance:
- 1. An officer, director or employee of an insurer or of a producer of insurance if the officer, director or employee does not receive any commission on policies written or sold to insure risks residing, located or to be performed in this state and:

- (a) The officer, director or employee's activities are executive, administrative, managerial or elerical, or a combination thereof, and are only indirectly related to the sale, solicitation or negotiation of insurance;
- (b) The officer, director or employee's function relates to underwriting, control of losses, inspection or the processing, adjusting, investigating or settling of claims on contracts of insurance; or
- (e) The officer, director or employee is acting in the capacity of a special agent or supervisor of an agency assisting producers of insurance where his or her activities are limited to providing technical advice and assistance to licensed producers and do not include sale, solicitation or negotiation of insurance.
- 2. A person who secures and furnishes information for the purpose of group life insurance, group property and casualty insurance, group annuities, or group or blanket accident and health insurance, or for the purpose of enrolling natural persons under plans, issuing certificates under plans or otherwise assisting in administering plans, or who performs administrative services related to mass marketed property and casualty insurance, if no commission is paid to the person for the service and the person does not sell, solicit or negotiate insurance. As used in this subsection, "blanket accident and health insurance" has the meaning ascribed to it in NRS 689B.070.
- 3. An employer or association or its officers, directors or employees, or the trustees of an employees' trust plan, to the extent that the employer, association, officers, directors, employees or trustees are engaged in the administration or operation of a program of employees' benefits for the employer's or association's own employees or the employees of its subsidiaries or affiliates, if the program involves the use of insurance issued by an insurer and the employer, association, officers, directors, employees or trustees are not compensated by the insurer issuing the contracts.
- 4. Employees of insurers or organizations employed by insurers who are engaged in the inspection, rating or classification of risks or in the supervision of the training of producers of insurance and are not individually engaged in the sale, solicitation or negotiation of insurance.
- —5.—A person whose activities in this state are limited to advertising, without the intent to solicit insurance in this state, through communications in printed publications or electronic mass media whose distribution is not limited to residents of this state, if the person does not sell, solicit or negotiate insurance of risks residing, located or to be performed in this state.
- 6. A salaried full time employee who counsels or advises his or her employer concerning the interests of the employer, or of the subsidiaries or affiliates of the employer, in insurance, if the employee does not sell or solicit insurance or receive a commission.
- -7. An employee of a producer of insurance or an insurer who responds to requests from holders of policies previously issued, if the employee is not directly compensated according to the volume of premiums that may result

from those services and does not solicit insurance or offer advice concerning terms or conditions of policies.

- 8. A person issued a limited license pursuant to section 12 of this act, and any employee or other authorized representative of the limited licensee authorized pursuant to section 18 of this act, whose activities are limited to those authorized pursuant to sections 2 to 24, inclusive, of this act.] (Deleted by amendment.)
  - Sec. 26. NRS 683A.261 is hereby amended to read as follows:
- 683A.261 1. Unless the Commissioner refuses to issue the license under NRS 683A.451, the Commissioner shall issue a license as a producer of insurance to a person who has satisfied the requirements of NRS 683A.241 and 683A.251. A producer of insurance may qualify for a license in one or more of the lines of authority permitted by statute or regulation, including:
- (a) Life insurance on human lives, which includes benefits from endowments and annuities and may include additional benefits from death by accident and benefits for dismemberment by accident and for disability income.
- (b) Accident and health insurance for sickness, bodily injury or accidental death, which may include benefits for disability income.
- (c) Property insurance for direct or consequential loss or damage to property of every kind.
- (d) Casualty insurance against legal liability, including liability for death, injury or disability and damage to real or personal property. For the purposes of a producer of insurance, this line of insurance includes surety indemnifying financial institutions or providing bonds for fidelity, performance of contracts or financial guaranty.
- (e) Variable annuities and variable life insurance, including coverage reflecting the results of a separate investment account.
- (f) Credit insurance, including credit life, credit accident and health, credit property, credit involuntary unemployment, guaranteed asset protection, and any other form of insurance offered in connection with an extension of credit that is limited to wholly or partially extinguishing the obligation which the Commissioner determines should be considered as limited-line credit insurance.
- (g) Personal lines, consisting of automobile and motorcycle insurance and residential property insurance, including coverage for flood, of personal watercraft and of excess liability, written over one or more underlying policies of automobile or residential property insurance.
- (h) Fixed annuities, including, without limitation, indexed annuities, as a limited line.
  - (i) Travel insurance, as defined in NRS 683A.197, as a limited line.
  - (i) Rental car agency as a limited line.
  - (k) Portable electronics as a limited line.
  - (l) Crop as a limited line.

- (m) Personal property storage insurance, as defined in section 8 of this act, as a limited line.
- 2. A license as a producer of insurance remains in effect unless revoked, suspended or otherwise terminated if a request for a renewal is submitted on or before the date for the renewal specified on the license, all applicable fees for renewal are paid for each license and each authorization to transact business on behalf of a business organization licensed pursuant to subsection 2 of NRS 683A.251, and any requirement for education or any other requirement to renew the license is satisfied by the date specified on the license for the renewal. A producer of insurance may submit a request for a renewal of his or her license within 30 days after the date specified on the license for the renewal if the producer of insurance otherwise complies with the provisions of this subsection and pays, in addition to any fee paid pursuant to this subsection, a penalty of 50 percent of all applicable renewal fees, except for any fee required pursuant to NRS 680C.110. A license as a producer of insurance expires if the Commissioner receives a request for a renewal of the license more than 30 days after the date specified on the license for the renewal. A fee paid pursuant to this subsection is nonrefundable.
- 3. A natural person who allows his or her license as a producer of insurance to expire may reapply for the same license within 12 months after the date specified on the license for a renewal without passing a written examination or completing a course of study required by paragraph (c) of subsection 1 of NRS 683A.251, but a penalty of twice all applicable renewal fees, except for any fee required pursuant to NRS 680C.110, is required for any request for a renewal of the license that is received after the date specified on the license for the renewal.
- 4. A licensed producer of insurance who is unable to renew his or her license because of military service, extended medical disability or other extenuating circumstance may request a waiver of the time limit and of any fine or sanction otherwise required or imposed because of the failure to renew.
- 5. A license must state the licensee's name, address, personal identification number, the date of issuance, the lines of authority and the date of expiration and must contain any other information the Commissioner considers necessary. The license must be made available for public inspection upon request.
- 6. A licensee shall inform the Commissioner of each change of business, residence or electronic mail address, in writing or by other means acceptable to the Commissioner, within 30 days after the change. If a licensee changes his or her business, residence or electronic mail address without giving written notice and the Commissioner is unable to locate the licensee after diligent effort, the Commissioner may revoke the license without a hearing. The mailing of a letter by certified mail, return receipt requested, addressed to the licensee at his or her last mailing address appearing on the records of the Division, and the return of the letter undelivered, constitutes a diligent effort by the Commissioner.

- Sec. 27. [NRS 683A.383 is hereby amended to read as follows:
- 683A.383 1. A natural person who applies for the issuance or renewal of a certificate of registration as an administrator, [or] a license as a producer of insurance or managing general agent or a limited license issued pursuant to section 12 of this act shall submit to the Commissioner the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
- 2. The Commissioner shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the issuance or renewal of the certificate of registration,[or] license [; or limited license: or
- (b) A separate form prescribed by the Commissioner.
- 3. A certificate of registration as an administrator, [or] a license as a producer of insurance or managing general agent or a limited license issued pursuant to section 12 of this act may not be issued or renewed by the Commissioner if the applicant is a natural person who:
- (a) Fails to submit the statement required pursuant to subsection 1; or
- (b) Indicates on the statement submitted pursuant to subsection 1 that he or she is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- 4. If an applicant indicates on the statement submitted pursuant to subsection I that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Commissioner shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.] (Deleted by amendment.)
  - Sec. 28. [NRS 683A.385 is hereby amended to read as follows:
- 683A.385 1. If the Commissioner receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a certificate of registration as an administrator, [or] a license as a producer of insurance or managing general agent [, or a limited license issued pursuant to section 12 of this act, the Commissioner shall suspend the certificate of registration, [or] license or limited license issued to that person at the end of the 30th day after the date on which the court order was issued unless the Commissioner receives a letter issued to the holder of the certificate of registration, [or] license or limited license by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the certificate of registration, [or] license or limited license has complied

with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425-560.

- 2. The Commissioner shall reinstate a certificate of registration as an administrator, [or] a license as a producer of insurance or managing general agent or a limited license issued pursuant to section 12 of this act that has been suspended by a district court pursuant to NRS 425.540 if the Commissioner receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose certificate of registration, [or] license or limited license was suspended stating that the person whose certificate of registration, [or] license or limited license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.] (Deleted by amendment.)
  - Sec. 29. [NRS 683A.387 is hereby amended to read as follows:
- —683A.387 —The application of a natural person who applies for the issuance of a certificate of registration as an administrator, [or] a license as a producer of insurance or managing general agent or a limited license issued pursuant to section 12 of this act must include the social security number of the applicant.] (Deleted by amendment.)
  - Sec. 30.  $\frac{11}{11}$  This act becomes effective:
- [(a)] 1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are required to carry out the provisions of this act; and
- [(b)] 2. On [January] July 1, 2020, for all other purposes.
- [ 2. Sections 27, 28 and 29 of this act expire 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:
- (a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce are obligation for the support of a child; or
- (b) Are in arrears in the payment for the support of one or more children,
   are repealed by the Congress of the United States.]

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 600 makes 14 changes to Senate Bill No. 385. The amendment deletes section 4 in its entirety, which defines a "limited licensee" and removes the term "limited" throughout the bill when referencing a licensee. It clarifies the definition of a "supervising entity" and "personal-property storage insurance"; amends subsection 2 of section 12 to provide that the commissioner of the Division of Insurance of the Department of Business and Industry may issue and renew a license to a person who provides personal-property storage insurance pursuant to the provisions for renewal of a license as a producer of insurance; amends subsection 3 of section 12 to clarify that a license issued "covers all facilities at which the owner conducts business" and eliminates provisions regarding the length of time that a license is valid and provisions regarding renewing a license; amends section 12 to provide that an owner is not required to be licensed solely to display and make available marketing and promotional materials created by an authorized insurer offering personal-property storage insurance; deletes subsection 2 of section 13 and

section 25, which establish that a licensee is not required to hold any other license or authorization, including, without limitation, a license as a producer of insurance; amends section 14 to authorize a licensee to offer, sell, solicit or negotiate personal-property storage insurance only in connection with a rental agreement and requires that the rates for any personal-property storage insurance sold by a licensee to one or more occupants of the facility of the licensee be filed with the commissioner; amends section 15 to require a licensee to make certain disclosures in writing or by electronic means to prospective purchasers of personal-property insurance; amends section 17 to provide that a licensee is a fiduciary with respect to the money received for the purchase of personal-property storage insurance; deletes section 22, which authorizes a licensee to receive compensation based on the sale of the type of coverage; amends section 23 to clarify that the supervising entity designated by the insurer is responsible for the acts of each licensee and shall use every reasonable means to ensure compliance by the licensee, employee or authorized representative of the licensee with the provisions of this act and any regulations adopted pursuant thereto; deletes section 24, which makes a licensee subject to the disciplinary provisions applicable to licensed producers of insurance, including the existing misdemeanor penalty; deletes section 25, which would exempt a licensee pursuant to this bill and his or her employees or authorized agents from being required to be licensed as producers of insurance, and makes this act effective on July 1, 2020, for all other purposes.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 397.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 426.

SUMMARY—Revises provisions governing contractors. (BDR 54-304)

AN ACT relating to contractors; [setting forth requirements for contractors entering into certain contracts for work concerning completed single family residences;] authorizing a contractor, under certain circumstances, to perform work for which the contractor does not have a license in the applicable classification or subclassification; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law generally requires a person to be licensed as a contractor to engage in the business of constructing, altering or repairing any structure or other improvement. (NRS 624.020, 624.700) [Existing law also requires, with regard to work concerning a residential pool or spa, that: (1) the contracts for such work contain certain provisions; (2) copies of documents and receipts for money related to such work must be provided by the contractor; (3) certain provisions in contracts for such work render the contract void; and (4) the contractor must obtain all necessary permits. (NRS 624.940) Section 1 of this bill provides substantially similar requirements for work concerning a completed single-family residence for which a contractor enters into a contract with the owner of the residence.]

Existing law also requires the State Contractors' Board to adopt regulations for the classification and subclassification of contractors, and authorizes the Board to limit the field and scope of the operations of a licensed contractor to

those in which the contractor is classified. (NRS 624.220) However, existing law provides various exceptions to the licensure requirement for contractors, such as when a person, under certain circumstances, performs work to repair or maintain property when the value of the work, including both labor and materials, is less than \$1,000. (NRS 624.031) Existing law also authorizes a specialty contractor to perform work for which the contractor does not have a license of the appropriate classification or subclassification when that work is incidental and supplemental to the performance of work for which the contractor is appropriately licensed. (NRS 624.220) Section 4 of this bill authorizes a licensed contractor [-, whether the contractor is a prime contractor or a subcontractor, to perform work for which the contractor does not have a license in the applicable classification or subclassification if: (1) the value of the work is less than \$1,000  $\stackrel{\text{(4)}}{\text{(3)}}$  and does not require a permit; and (2) the work is not of a type performed by a plumbing, electrical, refrigeration or air-conditioning contractor. Sections 2, 3 and 5 of this bill make conforming changes relating to section 4.

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

## Section 1. [Chapter 624 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. On and after July 1, 2019, any contract entered into between a residential contractor and an owner of a completed single-family residence for work concerning the completed single family residence must contain in writing at least the following information:
- (a) The name of the contractor and his or her business address and license
- (b) The name and mailing address of the owner and the address or legal description of the property.
- (a) The date of execution of the contract
- (d) The estimated date of completion of all work to be performed under the
- (c) A description of the work to be performed under the contract.
- (f) The total amount to be paid to the contractor by the owner for all wor, to be performed under the contract, including all applicable taxes.
- —(g) The amount, not to exceed 50 percent of the total contract price, of any initial down payment or deposit paid or promised to be paid to the contractor by the owner before the start of construction.
- (h) A statement that the contractor has provided the owner with the notice and informational form required by NRS 624.600.
- (i) A statement that any additional work to be performed under the contract whether or not pursuant to a change order, which will require the owner to pay additional money and any other change in the terms in the original contract must be agreed to in writing by the parties and incorporated into the original contract as a change order. A change order is not enforceable agains the owner contracting for work concerning the completed single-family.

residence unless the change order clearly sets forth the scope of work to be completed and the price to be charged for the changes and is signed by the owner.

- (j) A plan and scale drawing showing the shape, size, dimensions and the specifications for the construction and equipment for the work specified in the contract, and a description of the work to be done, the materials to be used and the equipment to be installed, and the agreed consideration for the work—

  (k) The dollar amount of any progress payment and the stage of construction at which the contractor will be entitled to collect progress payments during the course of construction under the contract. The schedule of payments must show the amount of each payment as a sum in dollars and cents. The schedule of payments must not provide for the contractor to receive, nor may the contractor actually receive, payments in excess of 100 percent of the value of the work performed on the project at any time, excluding finance charges, except for an initial down payment or deposit.
- —(l) If the contract provides for payment of a commission to a salesperson out of the contract price, a statement that the payment must be made on a pro rata basis in proportion to the schedule of payments made to the contractor by the disbursing party in accordance with the provisions of paragraph (k).
- 2. Except as otherwise provided in subsection 5, the contract may contain such other conditions, stipulations or provisions as to which the parties may agree.
- 3. The contract must contain:
- (a) A method whereby the owner may initial provisions of the contract, thereby indicating that those provisions have been read and are understood.
- —(b) In close proximity to the signatures of the owner and the contractor, a notice stating that the owner:
- (1) May contact the Board if assistance is needed to clarify any of the provisions of the contract that the owner does not fully understand; and
- (2) Has the right to request a bond for payment and performance if sucl a bond is not otherwise required pursuant to NRS 624.270.
- 4. At the time the owner signs the contract, the contractor shall furnish the owner a legible copy of all documents signed and a written and signed receipt for any money paid to the contractor by the owner. All written information provided in the contract must be printed in at least 10-point bold type.
- 5. A condition, stipulation or provision in a contract that requires a person to waive any right provided by this chapter or any regulations adopted pursuant thereto or relieves a person of an obligation or liability imposed by this chapter or any regulations adopted pursuant thereto is void. Failure to comply with the requirements of this section renders a contract void and unenforceable against the owner.
- 6. The contractor shall apply for and obtain all necessary permits.]
  (Deleted by amendment.)

- Sec. 2. NRS 624.212 is hereby amended to read as follows:
- 624.212 1. The Executive Officer, on behalf of the Board, shall issue an order to cease and desist to any person:
- (a) Acting as a contractor, including, without limitation, commencing work as a contractor; or
  - (b) Submitting a bid on a job situated in this State,
- without an active license of the proper classification issued pursuant to this chapter. The order must be served personally or by certified mail and is effective upon receipt.
- 2. If it appears that any person has engaged in acts or practices which constitute a violation of this chapter or the violation of an order issued pursuant to subsection 1, the Board may request the Attorney General, the district attorney of the county in which the alleged violation occurred or the district attorney of any other county in which that person maintains a place of business or resides to apply on behalf of the Board to the district court for an injunction restraining the person from acting in violation of this chapter. Upon a proper showing, a temporary restraining order, a preliminary injunction or a permanent injunction may be granted. The Board as plaintiff in the action is not required to prove any irreparable injury.
- 3. In seeking injunctive relief against any person for an alleged violation of NRS 624.700, it is sufficient to allege that the person did, upon a certain day and in a certain county of this State:
- (a) Act as a contractor, including, without limitation, commence work as a contractor; or
- (b) Submit a bid on a job situated in this State,
- → without having an active license of the proper classification issued pursuant to this chapter, without alleging any further or more particular facts concerning the matter.
- 4. The issuance of a restraining order or an injunction does not relieve the person against whom the restraining order or injunction is issued from criminal prosecution for practicing without a license.
- 5. If the court finds that a person willfully violated an order issued pursuant to subsection 1, it shall impose a fine of not less than \$250 nor more than \$1,000 for each violation of the order.
- 6. For the purposes of this section, a person shall be deemed to have an active license of the proper classification if the person has an active license and is performing work in conformity with the requirements of subsection 4 of NRS 624.220.
  - Sec. 3. NRS 624.215 is hereby amended to read as follows:
- 624.215 1. For the purpose of classification, the contracting business includes the following branches:
  - (a) General engineering contracting.
  - (b) General building contracting.
  - (c) Specialty contracting.

- General engineering contracting and general building contracting are mutually exclusive branches.
- 2. A general engineering contractor is a contractor whose principal contracting business is in connection with fixed works, including irrigation, drainage, water supply, water power, flood control, harbors, railroads, highways, tunnels, airports and airways, sewers and sewage disposal systems, bridges, inland waterways, pipelines for transmission of petroleum and other liquid or gaseous substances, refineries, chemical plants and industrial plants requiring a specialized engineering knowledge and skill, power plants, piers and foundations and structures or work incidental thereto.
- 3. A general building contractor is a contractor whose principal contracting business is in connection with the construction or remodeling of buildings or structures for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind, requiring in their construction the use of more than two unrelated building trades or crafts, upon which he or she is a prime contractor and where the construction or remodeling of a building is the primary purpose. Unless he or she holds the appropriate specialty license, a general building contractor may only contract to perform specialty contracting if he or she is a prime contractor on a project. [A] Except as otherwise provided in subsection 4 of NRS 624.220, a general building contractor shall not perform specialty contracting in plumbing, electrical, refrigeration and air-conditioning or fire protection without a license for the specialty. A person who exclusively constructs or repairs mobile homes, manufactured homes or commercial coaches is not a general building contractor.
- 4. A specialty contractor is a contractor whose operations as such are the performance of construction work requiring special skill and whose principal contracting business involves the use of specialized building trades or crafts.
- 5. This section does not prevent the Board from establishing, broadening, limiting or otherwise effectuating classifications in a manner consistent with established custom, usage and procedure found in the building trades. The Board is specifically prohibited from establishing classifications in such a manner as to determine or limit craft jurisdictions.
  - Sec. 4. NRS 624.220 is hereby amended to read as follows:
- 624.220 1. The Board shall adopt regulations necessary to effect the classification and subclassification of contractors in a manner consistent with established usage and procedure as found in the construction business, and may limit the field and scope of the operations of a licensed contractor to those in which the contractor is classified and qualified to engage as defined by NRS 624.215 and the regulations of the Board.
- 2. The Board shall limit the field and scope of the operations of a licensed contractor by establishing a monetary limit on a contractor's license, and the limit must be the maximum contract a licensed contractor may undertake on one or more construction contracts on a single construction site or subdivision site for a single client. The Board may take any other action designed to limit

the field and scope of the operations of a contractor as may be necessary to protect the health, safety and general welfare of the public. The limit must be determined after consideration of the factors set forth in NRS 624.260 to 624.265, inclusive.

- 3. A licensed contractor may request that the Board increase the monetary limit on his or her license, either on a permanent basis or for a single construction project. A request submitted to the Board pursuant to this subsection must be in writing on a form prescribed by the Board and accompanied by such supporting documentation as the Board may require. A request submitted pursuant to this section for a single construction project must be submitted to the Board at least 5 working days before the date on which the licensed contractor intends to submit a bid for the project and must be approved by the Board before the submission of a bid by the contractor for the project.
- 4. Subject to the provisions of regulations adopted pursuant to subsection 5, nothing contained in this section prohibits [a]:
- (a) A specialty contractor from taking and executing a contract involving the use of two or more crafts or trades, if the performance of the work in the crafts or trades, other than in which the specialty contractor is licensed, is incidental and supplemental to the performance of work in the craft for which the specialty contractor is licensed.
- (b) [A] Except as otherwise provided in this paragraph, a licensed contractor [4], whether the contractor is a prime contractor or a subcontractor,] from performing work of a type for which the contractor does not have a license in the applicable classification or subclassification if the value of the work is less than \$1,000, including labor and materials, [4] and the work does not require a permit. A licensed contractor shall not perform work of a type for which the contractor does not have a license in the applicable classification or subclassification if the work is of a type performed by a plumbing, electrical, refrigeration or air-conditioning contractor.
- 5. The Board shall adopt regulations establishing a specific limit on the amount of asbestos that a licensed contractor with a license that is not classified for the abatement or removal of asbestos may abate or remove pursuant to subsection 4.
  - Sec. 5. NRS 624.341 is hereby amended to read as follows:
- 624.341 1. If the Board or its designee, based upon a preponderance of the evidence, has reason to believe that a person has:
- (a) Acted as a contractor without an active license of the proper classification issued pursuant to this chapter, the Board or its designee, as appropriate, shall issue or authorize the issuance of a written administrative citation to the person.
- (b) Committed any other act which constitutes a violation of this chapter or the regulations of the Board, the Board or its designee, as appropriate, may issue or authorize the issuance of a written administrative citation to the person.

- 2. A citation issued pursuant to this section may include, without limitation:
- (a) An order to take action to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board, at the person's cost;
- (b) An order to pay an administrative fine not to exceed \$50,000, except as otherwise provided in subsection 1 of NRS 624.300; and
- (c) An order to reimburse the Board for the amount of the expenses incurred to investigate the complaint.
- 3. If a written citation issued pursuant to this section includes an order to take action to correct a condition resulting from an act that constitutes a violation of this chapter or the regulations of the Board, the citation must state the time permitted for compliance, which must be not less than 15 business days after the date the person receives the citation, and specifically describe the action required to be taken.
- 4. The sanctions authorized by this section are separate from, and in addition to, any other remedy, civil or criminal, authorized by this chapter.
- 5. The failure of an unlicensed person to comply with a citation or order after it is final is a misdemeanor. If an unlicensed person does not pay an administrative fine imposed pursuant to this section within 60 days after the order of the Board becomes final, the order may be executed upon in the same manner as a judgment issued by a court.
- 6. For the purposes of this section, a person shall be deemed to have an active license of the proper classification if the person has an active license and is performing work in conformity with the requirements of subsection 4 of NRS 624.220.
  - Sec. 6. This act becomes effective on July 1, 2019.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 426 makes two changes to Senate Bill No. 397. The amendment deletes section 1 in its entirety, which requires any contract for work entered into between a residential contractor and an owner of a completed single-family residence to include certain provisions, and amends section 4, subsection 4, to clarify that a licensed contractor is authorized to perform work for which he or she does not have a license in the applicable classification or subclassification if the value of the work is less than \$1,000 and does not require a building permit.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 402.

Bill read second time.

The following amendment was proposed by the Committee on Education: Amendment No. 214.

SUMMARY—Makes various changes concerning educational programs relating to science, technology, engineering and mathematics and makes an appropriation. (BDR 43-887)

AN ACT relating to educational programs; providing for the issuance of a special license plate indicating support for educational programs in science, technology, engineering and mathematics; imposing a fee for the issuance and renewal of such special license plates; revising provisions related to the promotion and recognition of educational programs in this State that teach science, technology, engineering and mathematics; making appropriations to the Office of Science, Innovation and Technology to fund certain programs and activities relating to science, technology, engineering and mathematics; and providing other matters properly relating thereto.

#### Legislative Counsel's Digest:

Section 1 of this bill requires the Department of Motor Vehicles to design, prepare and issue special license plates indicating support for educational programs in science, technology, engineering and mathematics, commonly referred to as "STEM." The fees generated by the special license plates that are in addition to all other applicable registration and license fees and governmental services and taxes are required to be deposited with the State Treasurer, who must, on a quarterly basis, distribute the fees to the Director of the Office of Science, Innovation and Technology. The Director is required to consult with the Advisory Council on Science, Technology, Engineering and Mathematics to identify nonprofit corporations to assist in distributing the funds in a manner designed to encourage the study of science, technology, engineering and mathematics by pupils in this State. A person wishing to obtain the special license plates may also request that the plates be combined with personalized prestige plates if the person pays the additional fees for the personalized prestige plates.

Under existing law, certain special license plates: (1) must be approved by the Department, based on a recommendation from the Commission on Special License Plates; (2) are subject to a limitation on the number of separate designs of special license plates which the Department may issue at any one time; and (3) may not be designed, prepared or issued by the Department unless a certain number of applications for the plates are received. (NRS 482.367004, 482.367008, 482.36705) Sections 6-8 of this bill exempt the special license plates indicating support for educational programs in science, technology, engineering and mathematics from each of the proceeding requirements. Sections 2-5 and 9-12 of this bill make conforming changes.

Under existing law the Advisory Council on Science, Technology, Engineering and Mathematics is required to develop a plan for identifying and awarding recognition to not more than 15 schools in this State that demonstrate exemplary performance in the fields of science, technology, engineering and mathematics. The Council must also establish an event in southern Nevada and an event in northern Nevada to recognize students for similar exemplary performance, with the events required to be held at an institution of higher education in this State. Finally, the Council must establish a statewide event to be held in Carson City to recognize the not more than 15 schools in this State identified for exemplary performance. (NRS 223.650) Section 13 of this bill

removes the limitation of 15 schools, removes the requirement that the northern and southern events be held at institutions of higher education, and removes the requirement that the statewide event be held in Carson City.

Finally, section 14 of this bill makes two appropriations to the Office of Science, Innovation and Technology. The first is for awarding grants to elementary schools in this state to promote equitable access to and increase the quality of programs designed to introduce and teach science, technology, engineering and mathematics. The second is to create a regional grant program in each of three regions of this State through regional advisory boards, with the grants to be used to fund activities and programs designed to increase awareness of, promote the benefits of and carry out programs that reinforce education in science, technology, engineering and mathematics.

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

Section 1. Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Department, in cooperation with the Office of Science, Innovation and Technology in the Office of Governor, shall design, prepare and issue license plates that indicate support for educational programs in the areas of science, technology, engineering and mathematics, using any colors that the Department deems appropriate.
- 2. The Department shall issue license plates that indicate support for educational programs in the areas of science, technology, engineering and mathematics for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates that indicate support for educational programs in the areas of science, technology, engineering and mathematics if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates that indicate support for educational programs in the areas of science, technology, engineering and mathematics pursuant to subsection 3.
- 3. The fee for license plates that indicate support for educational programs in the areas of science, technology, engineering and mathematics is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment to the Department of \$10.
- 4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed pursuant to subsection 3, a person who requests a set of license plates that indicate support for educational programs in the areas of science, technology, engineering and mathematics must pay for the issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20, to be deposited in accordance with subsection 5.

- 5. Except as otherwise provided in NRS 482.38279, the Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this subsection to the Director of the Office of Science, Innovation and Technology in the Office of the Governor. The Director of the Office, in consultation with the Advisory Council on Science, Technology, Engineering and Mathematics created by NRS 223.640, shall identify nonprofit corporations in this State to assist in the distribution of the funds from this section in a manner designed to encourage the study of science, technology, engineering and mathematics by pupils in this State.
- 6. The provisions of NRS 482.36705 do not apply to license plates described in this section.
- 7. If, during a registration period, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:
- (a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the holder pays the fee for the transfer of the registration and any registration fee or governmental services tax due pursuant to NRS 482.399; or
- (b) Within 30 days after removing the plates from the vehicle, return them to the Department.
- 8. The Department may accept any gifts, grants and donations or other sources of money for the production and issuance of the special license plates pursuant to this section. All money received pursuant to this subsection must be deposited in the Revolving Account for the Issuance of Special License Plates created by NRS 482.1805.
  - Sec. 2. NRS 482.2065 is hereby amended to read as follows:
- 482.2065 1. A trailer may be registered for a 3-year period as provided in this section.
- 2. A person who registers a trailer for a 3-year period must pay upon registration all fees and taxes that would be due during the 3-year period if he or she registered the trailer for 1 year and renewed that registration for 2 consecutive years immediately thereafter, including, without limitation:
  - (a) Registration fees pursuant to NRS 482.480 and 482.483.
  - (b) A fee for each license plate issued pursuant to NRS 482.268.
- (c) Fees for the initial issuance, reissuance and renewal of a special license plate pursuant to NRS 482.265, if applicable.
- (d) Fees for the initial issuance and renewal of a personalized prestige license plate pursuant to NRS 482.367, if applicable.
- (e) Additional fees for the initial issuance and renewal of a special license plate issued pursuant to NRS 482.3667 to 482.3823, inclusive, *and section 1 of this act* which are imposed to generate financial support for a particular cause or charitable organization, if applicable.

- (f) Governmental services taxes imposed pursuant to chapter 371 of NRS, as provided in NRS 482.260.
- (g) The applicable taxes imposed pursuant to chapters 372, 374, 377 and 377A of NRS.
- 3. A license plate issued pursuant to this section will be reissued as provided in NRS 482.265 except that such reissuance will be done at the first renewal after the license plate has been issued for not less than 8 years.
- 4. As used in this section, the term "trailer" does not include a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483.
  - Sec. 3. NRS 482.216 is hereby amended to read as follows:
- 482.216 1. Except as otherwise provided in NRS 482.2155, upon the request of a new vehicle dealer, the Department may authorize the new vehicle dealer to:
- (a) Accept applications for the registration of the new motor vehicles he or she sells and the related fees and taxes;
- (b) Issue certificates of registration to applicants who satisfy the requirements of this chapter; and
- (c) Accept applications for the transfer of registration pursuant to NRS 482.399 if the applicant purchased from the new vehicle dealer a new vehicle to which the registration is to be transferred.
- 2. A new vehicle dealer who is authorized to issue certificates of registration pursuant to subsection 1 shall:
- (a) Transmit the applications received to the Department within the period prescribed by the Department;
- (b) Transmit the fees collected from the applicants and properly account for them within the period prescribed by the Department;
  - (c) Comply with the regulations adopted pursuant to subsection 5; and
- (d) Bear any cost of equipment which is necessary to issue certificates of registration, including any computer hardware or software.
- 3. A new vehicle dealer who is authorized to issue certificates of registration pursuant to subsection 1 shall not:
  - (a) Charge any additional fee for the performance of those services;
- (b) Receive compensation from the Department for the performance of those services:
- (c) Accept applications for the renewal of registration of a motor vehicle; or
- (d) Accept an application for the registration of a motor vehicle if the applicant wishes to:
- (1) Obtain special license plates pursuant to NRS 482.3667 to 482.3823, inclusive [;], and section 1 of this act; or
- (2) Claim the exemption from the governmental services tax provided pursuant to NRS 361.1565 to veterans and their relations.
- 4. The provisions of this section do not apply to the registration of a moped pursuant to NRS 482.2155.

- 5. The Director shall adopt such regulations as are necessary to carry out the provisions of this section. The regulations adopted pursuant to this subsection must provide for:
- (a) The expedient and secure issuance of license plates and decals by the Department; and
- (b) The withdrawal of the authority granted to a new vehicle dealer pursuant to subsection 1 if that dealer fails to comply with the regulations adopted by the Department.
  - Sec. 4. NRS 482.2703 is hereby amended to read as follows:
- 482.2703 1. The Director may order the preparation of sample license plates which must be of the same design and size as regular license plates or license plates issued pursuant to NRS 482.384. The Director shall ensure that:
- (a) Each license plate issued pursuant to this subsection, regardless of its design, is inscribed with the word SAMPLE and an identical designation which consists of the same group of three numerals followed by the same group of three letters; and
- (b) The designation of numerals and letters assigned pursuant to paragraph (a) is not assigned to a vehicle registered pursuant to this chapter or chapter 706 of NRS.
- 2. The Director may order the preparation of sample license plates which must be of the same design and size as any of the special license plates issued pursuant to NRS 482.3667 to 482.3823, inclusive [...], and section 1 of this act. The Director shall ensure that:
- (a) Each license plate issued pursuant to this subsection, regardless of its design, is inscribed with the word SAMPLE and the number zero in the location where any other numerals would normally be displayed on a license plate of that design; and
- (b) The number assigned pursuant to paragraph (a) is not assigned to a vehicle registered pursuant to this chapter or chapter 706 of NRS.
- 3. The Director may establish a fee for the issuance of sample license plates of not more than \$15 for each license plate.
- 4. A decal issued pursuant to NRS 482.271 may be displayed on a sample license plate issued pursuant to this section.
- 5. All money collected from the issuance of sample license plates must be deposited in the State Treasury for credit to the Motor Vehicle Fund.
- 6. A person shall not affix a sample license plate issued pursuant to this section to a vehicle. A person who violates the provisions of this subsection is guilty of a misdemeanor.
  - Sec. 5. NRS 482.274 is hereby amended to read as follows:
- 482.274 1. The Director shall order the preparation of vehicle license plates for trailers in the same manner provided for motor vehicles in NRS 482.270, except that a vehicle license plate prepared for a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 is not required to have displayed upon it the month and year the registration expires.

- 2. The Director shall order preparation of two sizes of vehicle license plates for trailers. The smaller plates may be used for trailers with a gross vehicle weight of less than 1,000 pounds.
- 3. The Director shall determine the registration numbers assigned to trailers.
- 4. Any license plates issued for a trailer before July 1, 1975, bearing a different designation from that provided for in this section, are valid during the period for which such plates were issued.
- 5. Any license plates issued for a trailer before January 1, 1982, are not subject to reissue pursuant to subsection 2 of NRS 482.265.
- 6. The Department shall not issue for a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 a special license plate available pursuant to NRS 482.3667 to 482.3823, inclusive [...], and section 1 of this act.
  - Sec. 6. NRS 482.367004 is hereby amended to read as follows:
- 482.367004 1. There is hereby created the Commission on Special License Plates. The Commission is advisory to the Department and consists of five Legislators and three nonvoting members as follows:
  - (a) Five Legislators appointed by the Legislative Commission:
- (1) One of whom is the Legislator who served as the Chair of the Assembly Standing Committee on Transportation during the most recent legislative session. That Legislator may designate an alternate to serve in place of the Legislator when absent. The alternate must be another Legislator who also served on the Assembly Standing Committee on Transportation during the most recent legislative session.
- (2) One of whom is the Legislator who served as the Chair of the Senate Standing Committee on Transportation during the most recent legislative session. That Legislator may designate an alternate to serve in place of the Legislator when absent. The alternate must be another Legislator who also served on the Senate Standing Committee on Transportation during the most recent legislative session.
  - (b) Three nonvoting members consisting of:
- (1) The Director of the Department of Motor Vehicles, or a designee of the Director.
- (2) The Director of the Department of Public Safety, or a designee of the Director.
- (3) The Director of the Department of Tourism and Cultural Affairs, or a designee of the Director.
- 2. Each member of the Commission appointed pursuant to paragraph (a) of subsection 1 serves a term of 2 years, commencing on July 1 of each odd-numbered year. A vacancy on the Commission must be filled in the same manner as the original appointment.
- 3. Members of the Commission serve without salary or compensation for their travel or per diem expenses.

- 4. The Director of the Legislative Counsel Bureau shall provide administrative support to the Commission.
- 5. The Commission shall recommend to the Department that the Department approve or disapprove:
- (a) Applications for the design, preparation and issuance of special license plates that are submitted to the Department pursuant to subsection 1 of NRS 482.367002;
- (b) The issuance by the Department of special license plates that have been designed and prepared pursuant to NRS 482.367002; and
- (c) Except as otherwise provided in subsection 7, applications for the design, preparation and issuance of special license plates that have been authorized by an act of the Legislature after January 1, 2007.
- → In determining whether to recommend to the Department the approval of such an application or issuance, the Commission shall consider, without limitation, whether it would be appropriate and feasible for the Department to, as applicable, design, prepare or issue the particular special license plate. For the purpose of making recommendations to the Department, the Commission shall consider each application in the chronological order in which the application was received by the Department.
- 6. On or before September 1 of each fiscal year, the Commission shall compile a list of each special license plate for which the Commission, during the immediately preceding fiscal year, recommended to the Department that the Department approve the application for the special license plate or approve the issuance of the special license plate. The list so compiled must set forth, for each such plate, the cause or charitable organization for which the special license plate generates or would generate financial support, and the intended use to which the financial support is being put or would be put. The Commission shall transmit the information described in this subsection to the Department and the Department shall make that information available on its Internet website.
- 7. The provisions of paragraph (c) of subsection 5 do not apply with regard to special license plates that are issued pursuant to NRS 482.3746, 482.3751, 482.3752, 482.3757, 482.3783, 482.3785, 482.3787 or 482.37901 [...] or section 1 of this act.
  - 8. The Commission shall:
- (a) Recommend to the Department that the Department approve or disapprove any proposed change in the distribution of money received in the form of additional fees. As used in this paragraph, "additional fees" means the fees that are charged in connection with the issuance or renewal of a special license plate for the benefit of a particular cause, fund or charitable organization. The term does not include registration and license fees or governmental services taxes.
- (b) If it recommends a proposed change pursuant to paragraph (a) and determines that legislation is required to carry out the change, recommend to

the Department that the Department request the assistance of the Legislative Counsel in the preparation of a bill draft to carry out the change.

- Sec. 7. NRS 482.367008 is hereby amended to read as follows:
- 482.367008 1. As used in this section, "special license plate" means:
- (a) A license plate that the Department has designed and prepared pursuant to NRS 482.367002 in accordance with the system of application and petition described in that section;
- (b) A license plate approved by the Legislature that the Department has designed and prepared pursuant to NRS 482.3747, 482.37903, 482.37905, 482.37917, 482.379175, 482.37918, 482.37919, 482.3792, 482.3793, 482.37933, 482.37934, 482.37935, 482.37935, 482.379365, 482.37937, 482.379375, 482.37938, 482.37939, 482.37945 or 482.37947; and
- (c) Except for a license plate that is issued pursuant to NRS 482.3746, 482.3751, 482.3752, 482.3757, 482.3783, 482.3785, 482.3787 or 482.37901  $\frac{1}{12}$  or section 1 of this act, a license plate that is approved by the Legislature after July 1, 2005.
- 2. Notwithstanding any other provision of law to the contrary, and except as otherwise provided in subsection 3, the Department shall not, at any one time, issue more than 30 separate designs of special license plates. Whenever the total number of separate designs of special license plates issued by the Department at any one time is less than 30, the Department shall issue a number of additional designs of special license plates that have been authorized by an act of the Legislature or the application for which has been recommended by the Commission on Special License Plates to be approved by the Department pursuant to subsection 5 of NRS 482.367004, not to exceed a total of 30 designs issued by the Department at any one time. Such additional designs must be issued by the Department in accordance with the chronological order of their authorization or approval by the Department.
- 3. In addition to the special license plates described in subsection 2, the Department may issue not more than five separate designs of special license plates in excess of the limit set forth in that subsection. To qualify for issuance pursuant to this subsection:
- (a) The Commission on Special License Plates must have recommended to the Department that the Department approve the design, preparation and issuance of the special plates as described in paragraphs (a) and (b) of subsection 5 of NRS 482.367004; and
- (b) The special license plates must have been applied for, designed, prepared and issued pursuant to NRS 482.367002, except that:
- (1) The application for the special license plates must be accompanied by a surety bond posted with the Department in the amount of \$20,000; and
- (2) Pursuant to the assessment of the viability of the design of the special license plates that is conducted pursuant to this section, it is determined that at least 3,000 special license plates have been issued.
- 4. Except as otherwise provided in this subsection, on October 1 of each year the Department shall assess the viability of each separate design of special

license plate that the Department is currently issuing by determining the total number of validly registered motor vehicles to which that design of special license plate is affixed. The Department shall not determine the total number of validly registered motor vehicles to which a particular design of special license plate is affixed if:

- (a) The particular design of special license plate was designed and prepared by the Department pursuant to NRS 482.367002; and
- (b) On October 1, that particular design of special license plate has been available to be issued for less than 12 months.
- 5. If, on October 1, the total number of validly registered motor vehicles to which a particular design of special license plate is affixed is:
- (a) In the case of special license plates not described in subsection 3, less than 1,000; or
- (b) In the case of special license plates described in subsection 3, less than 3,000,
- → the Director shall provide notice of that fact in the manner described in subsection 6.
  - 6. The notice required pursuant to subsection 5 must be provided:
- (a) If the special license plate generates financial support for a cause or charitable organization, to that cause or charitable organization.
- (b) If the special license plate does not generate financial support for a cause or charitable organization, to an entity which is involved in promoting the activity, place or other matter that is depicted on the plate.
- 7. If, on December 31 of the same year in which notice was provided pursuant to subsections 5 and 6, the total number of validly registered motor vehicles to which a particular design of special license plate is affixed is:
- (a) In the case of special license plates not described in subsection 3, less than 1,000; or
- (b) In the case of special license plates described in subsection 3, less than 3,000,
- → the Director shall, notwithstanding any other provision of law to the contrary, issue an order providing that the Department will no longer issue that particular design of special license plate. Except as otherwise provided in subsection 2 of NRS 482.265, such an order does not require existing holders of that particular design of special license plate to surrender their plates to the Department and does not prohibit those holders from renewing those plates.
  - Sec. 8. NRS 482.36705 is hereby amended to read as follows:
  - 482.36705 1. Except as otherwise provided in subsection 2:
- (a) If a new special license plate is authorized by an act of the Legislature after January 1, 2003, other than a special license plate that is authorized pursuant to NRS 482.379375, the Legislature will direct that the license plate not be designed, prepared or issued by the Department unless the Department receives at least 1,000 applications for the issuance of that plate within 2 years after the effective date of the act of the Legislature that authorized the plate.

- (b) In addition to the requirements set forth in paragraph (a), if a new special license plate is authorized by an act of the Legislature after July 1, 2005, the Legislature will direct that the license plate not be issued by the Department unless its issuance complies with subsection 2 of NRS 482.367008.
- (c) In addition to the requirements set forth in paragraphs (a) and (b), if a new special license plate is authorized by an act of the Legislature after January 1, 2007, the Legislature will direct that the license plate not be designed, prepared or issued by the Department unless the Commission on Special License Plates recommends to the Department that the Department approve the application for the authorized plate pursuant to NRS 482.367004.
- 2. The provisions of subsection 1 do not apply with regard to special license plates that are issued pursuant to NRS 482.3746, 482.3751, 482.3752, 482.3757, 482.3783, 482.3785, 482.3787 or 482.37901 [...] or section 1 of this act.
  - Sec. 9. NRS 482.3824 is hereby amended to read as follows:
- 482.3824 1. Except as otherwise provided in NRS 482.38279, with respect to any special license plate that is issued pursuant to NRS 482.3667 to 482.3823, inclusive, *and section 1 of this act* and for which additional fees are imposed for the issuance of the special license plate to generate financial support for a charitable organization:
- (a) The Director shall, at the request of the charitable organization that is benefited by the particular special license plate:
- (1) Order the design and preparation of souvenir license plates, the design of which must be substantially similar to the particular special license plate; and
- (2) Issue such souvenir license plates, for a fee established pursuant to NRS 482.3825, only to the charitable organization that is benefited by the particular special license plate. The charitable organization may resell such souvenir license plates at a price determined by the charitable organization.
- (b) The Department may, except as otherwise provided in this paragraph and after the particular special license plate is approved for issuance, issue the special license plate for a trailer, motorcycle or other type of vehicle that is not a passenger car or light commercial vehicle, excluding vehicles required to be registered with the Department pursuant to NRS 706.801 to 706.861, inclusive, full trailers or semitrailers registered pursuant to subsection 3 of NRS 482.483 and mopeds registered pursuant to NRS 482.2155, upon application by a person who is entitled to license plates pursuant to NRS 482.265 or 482.272 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter or chapter 486 of NRS. The Department may not issue a special license plate for such other types of vehicles if the Department determines that the design or manufacture of the plate for those other types of vehicles would not be feasible. In addition, if the Department incurs additional costs to manufacture a special license plate for such other types of vehicles, including, without limitation, costs associated with the purchase, manufacture or modification of dies or other equipment necessary to

manufacture the special license plate for such other types of vehicles, those additional costs must be paid from private sources without any expense to the State of Nevada.

- 2. If, as authorized pursuant to paragraph (b) of subsection 1, the Department issues a special license plate for a trailer, motorcycle or other type of vehicle that is not a passenger car or light commercial vehicle, the Department shall charge and collect for the issuance and renewal of such a plate the same fees that the Department would charge and collect if the other type of vehicle was a passenger car or light commercial vehicle. As used in this subsection, "fees" does not include any applicable registration or license fees or governmental services taxes.
  - 3. As used in this section:
  - (a) "Additional fees" has the meaning ascribed to it in NRS 482.38273.
- (b) "Charitable organization" means a particular cause, charity or other entity that receives money from the imposition of additional fees in connection with the issuance of a special license plate pursuant to NRS 482.3667 to 482.3823, inclusive [-], and section 1 of this act. The term includes the successor, if any, of a charitable organization.
  - Sec. 10. NRS 482.38276 is hereby amended to read as follows:

482.38276 "Special license plate" means:

- 1. A license plate that the Department has designed and prepared pursuant to NRS 482.367002 in accordance with the system of application and petition described in that section;
- 2. A license plate approved by the Legislature that the Department has designed and prepared pursuant to NRS 482.3747, 482.37903, 482.37904, 482.37905, 482.37917, 482.379175, 482.37918, 482.37919, 482.3792, 482.3793, 482.37933, 482.37934, 482.37935, 482.379355, 482.379365, 482.37937, 482.379375, 482.37938, 482.37939, 482.37945 or 482.37947; and
- 3. Except for a license plate that is issued pursuant to NRS 482.3746, 482.3757, 482.3785, 482.3787 or 482.37901  $\frac{1}{1.1}$  or section 1 of this act, a license plate that is approved by the Legislature after July 1, 2005.
  - Sec. 11. NRS 482.399 is hereby amended to read as follows:
- 482.399 1. Upon the transfer of the ownership of or interest in any vehicle by any holder of a valid registration, or upon destruction of the vehicle, the registration expires.
- 2. Except as otherwise provided in NRS 482.2155 and subsection 3 of NRS 482.483, the holder of the original registration may transfer the registration to another vehicle to be registered by the holder and use the same regular license plate or plates or special license plate or plates issued pursuant to NRS 482.3667 to 482.3823, inclusive, and section 1 of this act or 482.384, on the vehicle from which the registration is being transferred, if the license plate or plates are appropriate for the second vehicle, upon filing an application for transfer of registration and upon paying the transfer registration fee and the excess, if any, of the registration fee and governmental services tax on the vehicle to which the registration is transferred over the total registration fee

and governmental services tax paid on all vehicles from which he or she is transferring ownership or interest. Except as otherwise provided in NRS 482.294, an application for transfer of registration must be made in person, if practicable, to any office or agent of the Department or to a registered dealer, and the license plate or plates may not be used upon a second vehicle until registration of that vehicle is complete.

- 3. In computing the governmental services tax, the Department, its agent or the registered dealer shall credit the portion of the tax paid on the first vehicle attributable to the remainder of the current registration period or calendar year on a pro rata monthly basis against the tax due on the second vehicle or on any other vehicle of which the person is the registered owner. If any person transfers ownership or interest in two or more vehicles, the Department or the registered dealer shall credit the portion of the tax paid on all of the vehicles attributable to the remainder of the current registration period or calendar year on a pro rata monthly basis against the tax due on the vehicle to which the registration is transferred or on any other vehicle of which the person is the registered owner. The certificates of registration and unused license plates of the vehicles from which a person transfers ownership or interest must be submitted before credit is given against the tax due on the vehicle to which the registration is transferred or on any other vehicle of which the person is the registered owner.
- 4. In computing the registration fee, the Department or its agent or the registered dealer shall credit the portion of the registration fee paid on each vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis against the registration fee due on the vehicle to which registration is transferred.
- 5. If the amount owed on the registration fee or governmental services tax on the vehicle to which registration is transferred is less than the credit on the total registration fee or governmental services tax paid on all vehicles from which a person transfers ownership or interest, the person may apply the unused portion of the credit to the registration of any other vehicle owned by the person. Any unused portion of such a credit expires on the date the registration of the vehicle from which the person transferred the registration was due to expire.
- 6. If the license plate or plates are not appropriate for the second vehicle, the plate or plates must be surrendered to the Department or registered dealer and an appropriate plate or plates must be issued by the Department. The Department shall not reissue the surrendered plate or plates until the next succeeding licensing period.
- 7. If application for transfer of registration is not made within 60 days after the destruction or transfer of ownership of or interest in any vehicle, the license plate or plates must be surrendered to the Department on or before the 60th day for cancellation of the registration.
- 8. Except as otherwise provided in subsection 2 of NRS 371.040, NRS 482.2155, subsections 7 and 8 of NRS 482.260 and subsection 3 of

NRS 482.483, if a person cancels his or her registration and surrenders to the Department the license plates for a vehicle, the Department shall:

- (a) In accordance with the provisions of subsection 9, issue to the person a refund of the portion of the registration fee and governmental services tax paid on the vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis; or
- (b) If the person does not qualify for a refund in accordance with the provisions of subsection 9, issue to the person a credit in the amount of the portion of the registration fee and governmental services tax paid on the vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis. Such a credit may be applied by the person to the registration of any other vehicle owned by the person. Any unused portion of the credit expires on the date the registration of the vehicle from which the person obtained a refund was due to expire.
- 9. The Department shall issue a refund pursuant to subsection 8 only if the request for a refund is made at the time the registration is cancelled and the license plates are surrendered, the person requesting the refund is a resident of Nevada, the amount eligible for refund exceeds \$100, and evidence satisfactory to the Department is submitted that reasonably proves the existence of extenuating circumstances. For the purposes of this subsection, the term "extenuating circumstances" means circumstances wherein:
- (a) The person has recently relinquished his or her driver's license and has sold or otherwise disposed of his or her vehicle.
- (b) The vehicle has been determined to be inoperable and the person does not transfer the registration to a different vehicle.
- (c) The owner of the vehicle is seriously ill or has died and the guardians or survivors have sold or otherwise disposed of the vehicle.
- (d) Any other event occurs which the Department, by regulation, has defined to constitute an "extenuating circumstance" for the purposes of this subsection.
  - Sec. 12. NRS 482.500 is hereby amended to read as follows:
- 482.500 1. Except as otherwise provided in subsection 2 or 3 or specifically provided by statute, whenever upon application any duplicate or substitute certificate of registration, indicator, decal or number plate is issued, the following fees must be paid:

For a certificate of registration	\$5.00
For every substitute number plate or set of plates	5.00
For every duplicate number plate or set of plates	
For every decal displaying a county name	50
For every other indicator, decal, license plate sticker or tab.	

- 2. The following fees must be paid for any replacement number plate or set of plates issued for the following special license plates:
- (a) For any special plate issued pursuant to NRS 482.3667, 482.367002, 482.3672, 482.3675, 482.370 to 482.3755, inclusive, *and section 1 of this act*, 482.376 or 482.379 to 482.3818, inclusive, a fee of \$10.

- (b) For any special plate issued pursuant to NRS 482.368, 482.3765, 482.377 or 482.378, a fee of \$5.
- (c) Except as otherwise provided in paragraph (a) of subsection 1 of NRS 482.3824, for any souvenir license plate issued pursuant to NRS 482.3825 or sample license plate issued pursuant to NRS 482.2703, a fee equal to that established by the Director for the issuance of those plates.
- 3. A fee must not be charged for a duplicate or substitute of a decal issued pursuant to NRS 482.37635.
- 4. The fees which are paid for replacement number plates, duplicate number plates and decals displaying county names must be deposited with the State Treasurer for credit to the Motor Vehicle Fund and allocated to the Department to defray the costs of replacing or duplicating the plates and manufacturing the decals.
  - Sec. 13. NRS 223.650 is hereby amended to read as follows:
- 223.650 1. The Advisory Council on Science, Technology, Engineering and Mathematics created by NRS 223.640 shall:
- (a) Develop a strategic plan for the development of educational resources in the fields of science, technology, engineering and mathematics to serve as a foundation for workforce development, college preparedness and economic development in this State;
- (b) Develop a plan for identifying and awarding recognition to pupils in this State who demonstrate exemplary achievement in the fields of science, technology, engineering and mathematics;
- (c) Develop a plan for identifying and awarding recognition to [not more than 15] schools in this State that demonstrate exemplary performance in the fields of science, technology, engineering and mathematics;
- (d) Conduct a survey of education programs and proposed programs relating to the fields of science, technology, engineering and mathematics in this State and in other states to identify recommendations for the implementation of such programs by public schools and institutions of higher education in this State and report the information gathered by the survey to the State Board of Education and the Board of Regents of the University of Nevada;
- (e) Apply for grants on behalf of the State of Nevada relating to the development and expansion of education programs in the fields of science, technology, engineering and mathematics;
- (f) Identify a nonprofit corporation to assist in the implementation of the plans developed pursuant to paragraphs (a), (b) and (c);
- (g) Prepare a written report which includes, without limitation, recommendations based on the survey conducted pursuant to paragraph (d) and any other recommendations concerning the instruction and curriculum in courses of study in science, technology, engineering and mathematics in public schools in this State and, on or before January 31 of each odd-numbered year, submit a copy of the report to the State Board of Education, the Board of

Regents of the University of Nevada, the Governor and the Director of the Legislative Counsel Bureau for transmittal to the Legislature;

- (h) Conduct surveys for and make recommendations as deemed necessary to the Office of Economic Development and the Governor's Workforce Investment Board; and
- (i) Appoint a subcommittee on computer science consisting of at least three members to provide advice and recommendations to:
- (1) The State Board of Education, the Council to Establish Academic Standards for Public Schools, the boards of trustees of school districts and the governing bodies of charter schools and university schools for profoundly gifted pupils concerning the curriculum and materials for courses in computer science and computer education and technology and professional development for teachers who teach such courses; and
- (2) The Commission on Professional Standards in Education concerning the qualifications for licensing teachers and other educational personnel who teach courses in computer science or computer education and technology.
  - 2. Each year the Council:
- (a) Shall establish an event in southern Nevada and an event in northern Nevada to recognize pupils in this State who demonstrate exemplary achievement in the fields of science, technology, engineering and mathematics. [The events must be held at an institution of higher education in this State.]
- (b) Shall establish a statewide event [which must be held in Carson City] to recognize [not more than 15] schools in this State that have demonstrated exemplary performance in the fields of science, technology, engineering and mathematics.
- (c) May accept any gifts, grants or donations from any source for use in carrying out the provisions of this subsection.
- 3. The Council or a subcommittee of the Council may seek the input, advice and assistance of persons and organizations that have knowledge, interest or expertise relevant to the duties of the Council.
- 4. The State Board of Education and the Board of Regents of the University of Nevada shall consider the plans developed by the Advisory Council on Science, Technology, Engineering and Mathematics pursuant to paragraphs (a), (b) and (c) of subsection 1 and the written report submitted pursuant to paragraph (g) of subsection 1. The State Board of Education shall adopt such regulations as the State Board deems necessary to carry out the recommendations in the written report.
- Sec. 14. 1. There is hereby appropriated from the State General Fund to the Office of Science, Innovation and Technology in the Office of the Governor for awarding grants to elementary schools in this State to promote equitable access to and increase the quality of programs designed to introduce and teach science, technology, engineering and mathematics the following sums:

For the Fiscal Year 2019-2020......\$250,000

For the Fiscal Year 2020-2021......\$250,000

2. There is hereby appropriated from the State General Fund to the Office of Science, Innovation and Technology in the Office of the Governor to create a grant program for awarding grants in this State through regional advisory boards in each of three regions of this State to fund activities and programs in this State designed to increase awareness of, promote the benefits of and carry out programs that reinforce education in science, technology, engineering and mathematics the following sums:

3. The sums appropriated in subsections 1 and 2 are available for either fiscal year. Any balance of those sums must not be committed for expenditure after June 30, 2021, by the entity to which the appropriation is made or any entity to which the money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2021, by either entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2021.

# Sec. 15. [This act becomes effective on July 1, 2019.] (Deleted by amendment.)

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 214 to Senate Bill No. 402 revises the effective date from July 1, 2019, to October 1, 2019.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 414.

Bill read second time.

The following amendment was proposed by the Committee on Education: Amendment No. 132.

SUMMARY—<u>[Increases the number of recipients of]</u> <u>Makes various changes concerning</u> the Kenny C. Guinn Memorial Millennium Scholarship. (BDR 34-884)

AN ACT relating to education; increasing the number of recipients to whom Kenny C. Guinn Memorial Millennium Scholarships are awarded each year; revising the eligibility requirements for the scholarships; increasing the maximum annual amount of money that may be awarded to a recipient; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Board of Trustees of the College Savings Plans of

Nevada to annually award the Kenny C. Guinn Memorial Millennium Scholarship to: (1) one recipient who is a student enrolled at the University of Nevada, Reno, Great Basin College, Sierra Nevada College or any other college or university designated by the Board as representative of northern Nevada; and (2) one recipient who is a student enrolled at the University of Nevada, Las Vegas, Nevada State College or any other college or university designated by the Board as representative of southern Nevada. (NRS 396.945) This bill increases from two to four the number of recipients to whom the Board is required to award the Memorial Scholarship each year. [Two] This bill also provides that two of the recipients must be enrolled in colleges or universities in northern Nevada or in nonprofit universities that award a bachelor's degree in education to residents of northern Nevada and two of the recipients must be enrolled in colleges or universities in southern Nevada 🗔 or in nonprofit universities that award a bachelor's degree in education to residents of southern Nevada. This bill further revises student eligibility requirements by allowing a student who is enrolled at an academic institution that does not use a grade point system to measure academic performance to submit evidence to the Board that demonstrates a level of academic achievement commensurate to the 3.5 grade point average on a 4.0 grading scale that is required under existing law. This bill also increases from \$4,500 to \$5,000 the maximum amount that may be awarded annually to a recipient of the Memorial Scholarship.

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

Section 1. NRS 396.945 is hereby amended to read as follows:

396.945 1. The Board shall annually award the Memorial Scholarship to:

- (a) [One recipient who is a student] Two recipients who are students enrolled at:
- (1) The University of Nevada, Reno, Great Basin College or Sierra Nevada College; <del>[or]</del>
- (2) <u>A nonprofit university which awards a bachelor's degree in education</u> to residents of northern Nevada; or
- (3) Any other college or university which awards a bachelor's degree in education and which is designated by the Board as an institution representative of northern Nevada; and
- (b) [One recipient who is a student] Two recipients who are students enrolled at:
  - (1) The University of Nevada, Las Vegas, or Nevada State College; <del>[or]</del>
- (2) <u>A nonprofit university which awards a bachelor's degree in education</u> to residents of southern Nevada; or
- (3) Any other college or university which awards a bachelor's degree in education and which is designated by the Board as an institution representative of southern Nevada.

- 2. The Board shall establish additional criteria governing the annual selection of each recipient of the Memorial Scholarship, which must include, without limitation, a requirement that a recipient:
- (a) Be in or entering his or her senior year at an academic institution described in subsection 1;
- (b) [Be on the list of eligible students] Satisfy the eligibility requirements for a Millennium Scholarship [which is certified to the State Treasurer pursuant to NRS 396.934;] set forth in NRS 396.930;
- (c) Have a college grade point average of not less than 3.5 on a 4.0 grading scale [+] or, if enrolled at an academic institution that does not use a grade point system to measure academic performance, present evidence acceptable to the Board that demonstrates a commensurate level of academic achievement;
  - (d) Have a declared major in elementary education or secondary education;
- (e) Have a stated commitment to teaching in this State following graduation; and
  - (f) Have a [commendable] record of community service.
- 3. A student who satisfies the criteria established pursuant to this section may apply for a Memorial Scholarship by submitting an application to the Office of the State Treasurer on a form provided on the Internet website of the State Treasurer.
- 4. The State Treasurer shall forward all applications received pursuant to subsection 3 to the Board. The Board shall review and evaluate each application received from the State Treasurer and select each recipient of the Memorial Scholarship in accordance with the criteria established pursuant to this section.
- 5. To the extent of available money in the account established pursuant to NRS 396.940, the annual Memorial Scholarship may be awarded to each selected recipient in an amount not to exceed [\$4,500] \$5,000 to pay the educational expenses of the recipient for the school year which are authorized by subsection 6 and which are not otherwise paid for by the Millennium Scholarship awarded to the recipient.
  - 6. A Memorial Scholarship must be used only:
  - (a) For the payment of registration fees and laboratory fees and expenses;
  - (b) To purchase required textbooks and course materials; and
- (c) For other costs related to the attendance of the student at the academic institution in which he or she is enrolled.
- 7. As used in this section, "Board" means the Board of Trustees of the College Savings Plans of Nevada created by NRS 353B.005.
  - Sec. 2. This act becomes effective on July 1, 2019.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 132 to Senate Bill No. 414 ensures students attending other nonprofit educational institutions can apply for the Memorial Scholarship so long as they were eligible out of high school to receive the Millennium Scholarship. The amendment also ensures that those

students who attend a university that does not grade on a grade-point-average scale provide documentation to the board, who may determine in its discretion, the student has received an equal level of academic achievement. Finally, the amendment increases the amount of the award from \$4,500 to \$5,000 each year.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 432.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 472.

SUMMARY—Revises provisions relating to certain financial transactions. (BDR 52-1146)

AN ACT relating to financial services; imposing certain requirements on certain transactions in which a person provides money to a consumer who has a pending legal action in exchange for certain proceeds from that legal action; requiring certain persons who engage in such transactions to obtain a license from the Commissioner of Financial Institutions; imposing certain requirements on such licensees; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 2-38 of this bill establish provisions relating to transactions in which a person provides a consumer who has a pending legal claim in this State with money and the consumer assigns to that person the right to receive an amount of the potential proceeds of a settlement, judgment, award or verdict obtained as a result of the legal action of the consumer. Section 10 of this bill designates this type of transaction as a "consumer litigation funding transaction." Section 8 of this bill designates the provider of money to a consumer in such a transaction as a "consumer litigation funding company."

Sections 18\_, [and] 19 and 19.3 of this bill generally require a contract to enter into a consumer litigation funding transaction to meet certain requirements and contain certain disclosures relating to the amount of fees the consumer will be charged and the rights of the consumer with regard to the consumer litigation funding transaction.

Section 20 of this bill prohibits a consumer litigation funding company from: (1) paying or accepting certain referral fees or commissions; (2) referring a consumer to engage certain professionals; (3) advertising false information; (4) entering into a consumer litigation funding transaction with a consumer who has already received money from another company, with certain exceptions; (5) making decisions with regard to the legal claim of the consumer; and (6) paying certain legal fees of the consumer with money from the consumer funding transaction.

Section 21 of this bill requires the amount the consumer is required to pay the consumer litigation funding company in exchange for the money received by the consumer to be set as a predetermined amount. Section 21 prohibits a company from charging fees that exceed <u>a rate of 40 percent [of the amount provided to the consumer in a 12-month period.]</u> annually.

Section 25 of this bill prohibits a person from engaging in business as a consumer litigation funding company without a license issued by the Commissioner of Financial Institutions. Section 25 provides that a person who engages in such business without a license is guilty of a misdemeanor. Sections 26-32 of this bill set forth the application process to obtain such a license and set forth certain requirements an applicant must meet.

Sections 35 and 36 of this bill require a person who has obtained a license to engage in business as a consumer litigation funding company to maintain assets of at least \$50,000 and to keep certain records. Sections 38.3 and 38.6 of this bill authorize the Commissioner to impose fines and suspend or revoke the license of a licensee for certain violations of the provisions of this bill. Section 38 of this bill requires each licensee to submit to the Commissioner an annual report with certain information regarding the activities of the licensee in the preceding year and to make the information contained in the report available to the public not later than 1 year after the report is submitted.

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

- Section 1. Title 52 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 38, inclusive, of this act.
- Sec. 2. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 16, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Advertise" means the commercial use of any medium, including, without limitation, radio, television, the Internet or a similar medium of communication, by a consumer litigation funding company for the purpose of inducing a consumer to enter into a consumer litigation funding transaction.
- Sec. 3.5. "Applicant" means a person who applies to the Commissioner to obtain a license to engage in the business of a consumer litigation funding company pursuant to the provisions of this chapter. The term does not include a parent company or affiliate of such a person.
- Sec. 4. "Charges" means the amount of money to be paid to a consumer litigation funding company by a consumer above the funded amount provided by the consumer litigation company to the consumer. The term includes, without limitation, administrative fees, origination fees, underwriting fees or other fees, however denominated.
- Sec. 5. "Commissioner" means the Commissioner of Financial Institutions.
  - Sec. 6. "Consumer" means a natural person who:
  - 1. Resides or is domiciled in this State; and
  - 2. Has a pending legal claim.

- Sec. 7. "Consumer litigation funding" means the money provided directly or indirectly to a consumer by a consumer litigation funding company in a consumer litigation funding transaction.
- Sec. 8. 1. "Consumer litigation funding company" or "company" means a person that enters into a consumer litigation funding transaction with a consumer.
  - 2. The term does not include:
  - (a) An immediate family member of a consumer;
  - (b) An attorney or accountant who provides services to a consumer; or
  - (c) A financial institution or similar entity:
    - (1) That provides financing to a consumer litigation funding company; or
- (2) To which a consumer litigation funding company grants a security interest or transfers any right or interest in a consumer litigation funding transaction.
- Sec. 9. "Consumer litigation funding contract" means a written agreement between a consumer and a consumer litigation funding company that provides for a consumer litigation funding transaction.
- Sec. 10. "Consumer litigation funding transaction" means a nonrecourse transaction in which:
- 1. A consumer litigation funding company provides consumer litigation funding to a consumer; and
- 2. The consumer assigns to the company a contingent right to receive an amount of the potential proceeds of a settlement, judgment, award or verdict obtained in the legal claim of the consumer.
- Sec. 11. "Funded amount" means the amount of consumer litigation funding provided to <u>or on behalf of</u> a consumer in a consumer litigation funding transaction. The term does not include charges.
- Sec. 12. "Funding date" means the date on which a company transfers to a consumer the funded amount of consumer litigation funding.
- Sec. 13. "Immediate family member" means a parent, sibling, child by blood, adoption or marriage, spouse, grandparent or grandchild.
  - Sec. 14. "Legal claim" means a bona fide civil claim or cause of action.
- Sec. 15. "Licensee" means a person who has been issued one or more licenses to engage in the business of a consumer litigation funding company.
  - Sec. 16. "Resolution date" means the date upon which [a]:
- <u>(a)</u> A consumer, or a person on behalf of a consumer, delivers to a consumer litigation company an amount of money equivalent to the funded amount plus any agreed upon charges [...]; or
  - (b) The legal claim of a consumer is lost or abandoned.
- Sec. 17. 1. The Commissioner may adopt regulations and make orders for the administration and enforcement of this chapter, in addition to and not inconsistent with this chapter.
- 2. Any ruling, demand, requirement or similar administrative act may be promulgated by an order.

- 3. Every order must be in writing, must state its effective date and the date of its promulgation, and must be entered in an indexed permanent book which is a public record.
- 4. A copy of every order containing a requirement of general application must be mailed to each licensee at least 20 days before the effective date thereof.
  - Sec. 18. 1. A consumer litigation funding contract must:
- (a) Be written in a clear and comprehensible language that is understandable to an ordinary layperson.
  - (b) Be filled out completely when presented to the consumer for signature.
- (c) Contain a provision entitling a consumer to the right of rescission. Such a provision must provide that the consumer may cancel the contract without penalty or further obligation if, within 5 business days after the funding date, the consumer:
- (1) Returns to the consumer litigation funding company the full amount of money that was disbursed to the consumer by the consumer litigation funding company by delivering to the office of the company in person the uncashed check issued by the company; or
- (2) Mails, by insured, certified or registered mail, to the address specified in the contract, a notice of cancellation and includes in such mailing a return of the full amount of money that was disbursed to the consumer by the consumer litigation funding company in the form of the uncashed check issued by the company or a registered or certified check or money order.
  - (d) Contain the initials of the consumer on each page.
- (e) Contain a statement that the consumer is not required to pay any other fees or charges other than what is disclosed within the contract.
- (f) If the consumer seeks more than one consumer litigation funding contract with the same company, contain a disclosure providing the cumulative amount due from the consumer for all consumer litigation funding transactions, including, without limitation, charges under all consumer litigation funding contracts if repayment is made any time after the contracts are executed.
- (g) Contain a statement of the maximum amount the consumer may be obligated to pay under the consumer litigation funding contract other than in the case of material breach, fraud or misrepresentation by the consumer.
- (h) Contain clear and conspicuous details of how charges, including, without limitation, any applicable fees, are incurred or accrued.
- (i) Contain a statement that the consumer litigation funding contract is governed by the laws of the State of Nevada.
- 2. A consumer litigation contract must contain a written acknowledgement by the attorney retained by the consumer in the legal claim of the consumer attesting to the following:
- (a) To the best of the knowledge of the attorney, the funded amount and any charges relating to the consumer litigation funding have been disclosed to the consumer.

- (b) The attorney is being paid on a contingency basis pursuant to a written fee agreement.
- (c) All proceeds of the legal claim will be disbursed via the trust account of the attorney or a settlement fund established to receive the proceeds of the legal claim on behalf of the consumer.
- (d) The attorney is following the written irrevocable instructions of the consumer with regard to the consumer litigation funding transaction.
- (e) The attorney is obligated to disburse money from the legal claim and take any other steps to ensure that the terms of the consumer litigation funding contract are fulfilled.
- (f) The attorney has not received a referral fee or other consideration from the consumer litigation funding company in connection with the consumer litigation funding, nor will the attorney receive such fee or other consideration in the future.
- (g) The attorney has provided no advice related to taxes, benefits or any other financial matter regarding this transaction.
- 3. A consumer litigation funding contract that does not contain the written acknowledgement required by paragraph (c) of subsection 2 is void. If the acknowledgement is completed, the contract shall remain valid if the consumer terminates the initial attorney or retains a new attorney with respect to the legal claim of the consumer.
- Sec. 19. A consumer litigation funding contract must contain the disclosures specified in this section, which shall constitute material terms of the contract. Except as otherwise provided in this section, the disclosure shall be typed in at least 12-point bold type or font and be placed clearly and conspicuously within the contract, as follows:
- 1. On the front page of the contract under appropriate headings, language specifying:
- (a) The funded amount to be paid to the consumer by the consumer litigation funding company;
  - (b) An itemization of one-time charges;
- (c) The maximum total amount to be assigned by the consumer to the company, including, without limitation, the funded amount and all charges; and
- (d) A payment schedule to include the funded amount and charges, listing all dates and the amount due at the end of each 180-day period from the funding date, until the date the maximum amount is due to the company by the consumer to satisfy the amount due under the consumer litigation funding contract.
  - 2. Within the body of the contract, substantially the following form: Consumer's right to cancellation: you may cancel this contract without penalty or further obligation within five (5) business days after the funding date if you either:

- 1. Return to the consumer litigation funding company the full amount of money that was disbursed to you by delivering the uncashed check issued by the company to the office of the company in person; or
- 2. Mail, by insured, certified or registered mail, to the company at the address specified in the contract, a notice of cancellation and include in such mailing a return of the full amount of money that was disbursed to you in the form of the uncashed check issued by the company or a registered or certified check or money order.
- 3. Within the body of the contract, in substantially the following form:

  The consumer litigation funding company shall not have a role in deciding whether, when and how much the legal claim is settled for. The consumer and the attorney of the consumer shall notify the company of the outcome of the legal claim by settlement or adjudication before the resolution date. The company may seek updated information about the status of the legal claim. The company shall not interfere with the independent professional judgment of the attorney in the handling of the legal claim or any settlement thereof.
- 4. Within the body of the contract, in all capital letters and in at least a 12-point bold type or font contained within a box:
  - THE FUNDED AMOUNT AND AGREED UPON CHARGES SHALL BE PAID ONLY FROM THE PROCEEDS OF YOUR LEGAL CLAIM, AND SHALL BE PAID ONLY TO THE EXTENT THAT THERE ARE AVAILABLE PROCEEDS FROM YOUR LEGAL CLAIM. YOU WILL NOT OWE (INSERT NAME OF THE CONSUMER LITIGATION FUNDING COMPANY) ANYTHING IF THERE ARE NO PROCEEDS FROM YOUR LEGAL CLAIM, UNLESS YOU HAVE VIOLATED ANY MATERIAL TERM OF THIS CONTRACT OR YOU HAVE COMMITTED FRAUD AGAINST (INSERT NAME OF THE CONSUMER LITIGATION FUNDING COMPANY).
- 5. Located immediately above the place on the contract where the signature of the consumer is required, in 12-point bold type or font:
  - Do not sign this contract before you read it completely. Do not sign this contract if it contains any blank spaces. You are entitled to a completely filled-in copy of the contract before you sign this contract. You should obtain the advice of an attorney. Depending on the circumstances, you may wish to consult a tax, public or private benefit planning or financial professional. You acknowledge that your attorney in the legal claim has provided no tax, public or private benefit planning or financial advice regarding this transaction. You further acknowledge that your attorney has explained the terms and conditions of the consumer litigation funding contract.
  - 6. Within the body of the contract, in substantially the following form:
    A copy of the executed contract must be promptly delivered to the attorney for the consumer.

- Sec. 19.3. <u>1. A consumer litigation funding contract must include a written disclosure, signed by the consumer that is typed in at least a 12-point font.</u>
- 2. The disclosure described in subsection 1 must be separate from the consumer litigation funding contract described in section 19 of this act.
- 3. The disclosure described in subsection 1 must include, without limitation:
- (a) A summary of all applicable charges and fees;
- (b) The full cost of the consumer litigation funding transaction, written in bold font;
- (c) The full amount of the consumer litigation funding;
- (d) A statement that the attorney retained by the consumer in the legal claim of the consumer is being retained on a contingency basis pursuant to a written fee agreement;
- (e) A statement that the consumer is fully informed and aware that all proceeds of the legal claim of the consumer will be disbursed via the trust account of the retained attorney or a settlement fund established to receive the proceeds of the legal claim on behalf of the consumer;
- (f) A statement that the retained attorney has not received and will not receive a referral fee or other consideration from the consumer litigation funding company in connection with the consumer litigation funding transaction; and
- (g) An acknowledgment, signed by the consumer, that the consumer was fully informed and aware of the charges and fees and the full cost of the consumer litigation funding transaction at the time of the execution of the consumer litigation funding contract.
- Sec. 19.7. If a consumer cancels a consumer litigation funding contract pursuant to section 18 of this act, the consumer litigation funding company shall promptly forward notice of the cancellation to the attorney or law firm retained by the consumer in the legal claim of the consumer.
  - Sec. 20. 1. A consumer litigation funding company shall not:
- (a) Pay or offer to pay a commission, referral fee or other form of consideration to an attorney, law firm, medical provider, chiropractor or physical therapist, or any employee of such a person, for referring a consumer to the company.
- (b) Accept a commission, referral fee or other form of consideration from an attorney, law firm, medical provider, chiropractor or physical therapist, or any employee of such a person.
- (c) Intentionally advertise materially false or misleading information regarding the products or services of the consumer litigation funding company.
- (d) Refer a consumer to engage a specific attorney, law firm, medical provider, chiropractor or physical therapist, or any employee of such a person. A company may refer a consumer in search of legal representation to a lawyer

referral service operated, sponsored or approved by the State Bar of Nevada or a local bar association.

- (e) Except as otherwise provided in subsection 2, knowingly provide consumer litigation funding to a consumer who has previously assigned or sold a portion of the right of the consumer to proceeds from his or her legal claim to another company without first making payment to or purchasing the entire funded amount and charges of that company, unless a lesser amount is otherwise agreed to in writing by the consumer litigation funding companies.
- (f) Receive any right to, or make, any decisions with respect to the conduct, settlement or resolution of the legal claim of a consumer.
- (g) Knowingly pay or offer to pay for court costs, filing fees or attorney's fees during or after the resolution of the legal claim of a consumer using money from a consumer litigation funding transaction.
- 2. Two or more consumer litigation funding companies may agree to contemporaneously provide consumer litigation funding to a consumer if the consumer and the attorney of the consumer agree to the arrangement in writing.
- 3. An attorney or law firm retained by the consumer in connection with his or her legal claim shall not have a financial interest in the consumer litigation funding company offering consumer litigation funding to that consumer.
- 4. An attorney who has referred the consumer to his or her retained attorney or law firm shall not have a financial interest in the consumer litigation funding company offering consumer litigation funding to that consumer.
- 5. A consumer litigation funding company shall not use any form of consumer litigation funding contract in this State unless the contract has been filed with the Commissioner in accordance with procedures for filing prescribed by the Commissioner.
- Sec. 21. 1. A consumer litigation funding company shall require the amount to be paid to the company under a consumer litigation funding contract to be set as a predetermined amount based upon intervals of time from the funding date though the resolution date. The amount must not exceed the funded amount plus charges. F. Such charges must not to exceed a rate of 40 percent for the funded amount in a 12-month period. I annually.
- 2. The amount to be paid to a company under a consumer litigation funding contract must not be determined as a percentage of the recovery of the legal claim of a consumer.
- Sec. 22. 1. If a court of competent jurisdiction determines that a consumer litigation funding company has willfully committed a deceptive and abusive violation of this chapter with regard to a specific consumer litigation funding transaction, the contract shall be void.
- 2. Nothing in this chapter shall be construed to restrict the exercise of powers or the performance of the duties of the Attorney General which he or she is authorized to exercise or perform by law.

- Sec. 23. 1. The contingent right to receive an amount of the potential proceeds of a legal claim is assignable by a consumer.
- 2. Nothing in this chapter shall be construed to cause any consumer litigation funding transaction conforming to this chapter to be deemed a loan or to be subject to any of the provisions of law governing loans. A consumer litigation funding transaction that complies with this chapter is not subject to any other statutory or regulatory provisions governing loans or investment contracts. If there is a conflict between the provisions of this chapter and any other statute, the provisions of this chapter control.
- 3. Only a lien imposed by an attorney pursuant to NRS 18.015 that is related to the legal claim of the consumer [1,1] or a lien imposed by Medicare for any other statutory lien] that is related to the legal claim of a consumer takes priority over any lien imposed by a consumer litigation funding company. All other liens take priority by normal operation of law.
- Sec. 24. Any communication between the attorney of a consumer in a legal claim and a consumer litigation funding company as it pertains to a consumer litigation funding transaction is subject to the attorney-client privilege, including, without limitation, the work-product doctrine.
- Sec. 25. 1. A person shall not engage in the business of a consumer litigation funding company in this State without having first obtained a license from the Commissioner pursuant to this chapter.
- 2. For the purpose of this section, a person is "engaged in the business of a consumer litigation funding company" if the person:
- (a) Solicits or engages in consumer litigation funding transactions in this State; or
- (b) Is located in this State and solicits or engages in consumer litigation funding transactions outside of this State.
- 3. Any person and the several members, officers, directors, agents and employees thereof who violate or participate in the violation of this section are guilty of a misdemeanor.
- Sec. 25.5. <u>The provisions of section 25 of this act shall apply to any person who seeks to evade its application by any device, subterfuge or pretense whatever, including, but not thereby limiting the generality of the foregoing:</u>
- 1. The loan, forbearance, use or sale of credit (as guarantor, surety, endorser, comaker or otherwise), money, goods, or things in action.
- 2. The use of collateral or related sales or purchases of goods or services, or agreements to sell or purchase, whether real or pretended.
- 3. Receiving or charging compensation for goods or services, whether or not sold, delivered or provided.
- 4. The real or pretended negotiation, arrangement or procurement of a loan through any use or activity of a third person, whether real or fictitious.
- Sec. 26. 1. A person who wishes to obtain a license from the Commissioner to engage in the business of a consumer litigation funding company shall submit an application to the Commissioner. The application

must be made in writing, under oath and on a form prescribed by the Commissioner. The application must include:

- (a) If the applicant is a natural person, the name and address of the applicant.
  - (b) If the applicant is a business entity, the name and address of each:
    - (1) Partner;
    - (2) Officer;
    - (3) Director;
    - (4) Manager or member who acts in a managerial capacity; and
    - (5) Registered agent,
- → of the business entity.
- (c) Such other information, as the Commissioner determines necessary, concerning the financial responsibility, background, experience and activities of the applicant and its:
  - (1) Partners;
  - (2) Officers:
  - (3) Directors; and
  - (4) Managers or members who act in a managerial capacity.
- (d) The address of each location at which the applicant proposes to do business under the license.
- 2. A person may apply for a license for an office or other place of business located outside this State from which the applicant will conduct business in this State if the applicant submits with the application for a license a statement signed by the applicant which states that the applicant agrees to:
- (a) Make available at a location within this State the books, accounts, papers, records and files of the office or place of business located outside this State to the Commissioner or a representative of the Commissioner; or
- (b) Pay the reasonable expenses for travel, meals and lodging of the Commissioner or a representative of the Commissioner incurred during any investigation or examination made at the office or place of business located outside this State.
- $\rightarrow$  The person must be allowed to choose between the provisions of paragraph (a) or (b) in complying with the provisions of this subsection.
- 3. The Commissioner shall consider an application to be withdrawn if the Commissioner has not received all information and fees required to complete the application within 6 months after the date the application is first submitted to the Commissioner or within such later period as the Commissioner determines in accordance with any existing policies of joint regulatory partners. If an application is deemed to be withdrawn pursuant to this subsection or if an applicant otherwise withdraws an application, the Commissioner shall not issue a license to the applicant unless the applicant submits a new application and pays any required fees.
- Sec. 27. 1. In addition to any other requirements set forth in this chapter, each applicant must submit:
  - (a) Proof satisfactory to the Commissioner that the applicant:

- (1) Has a good reputation for honesty, trustworthiness and integrity and is competent to transact the business for which the applicant seeks to be licensed in a manner which protects the interests of the general public.
- (2) Has not made a false statement of material fact on the application for the license.
  - (3) Has not committed any of the acts specified in subsection 2.
- (4) Has not had a license issued pursuant to this chapter suspended or revoked within the 10 years immediately preceding the date of the application.
- (5) Has not been convicted or, or entered a plea of nolo contendere to, a felony or any crime involving fraud, misrepresentation or moral turpitude.
  - (6) If the [application] applicant is a natural person:
    - (I) Is at least 21 years of age; and
- (II) Is a citizen of the United States or lawfully entitled to remain and work in the United States.
- (b) A complete set of his or her fingerprints and written permission authorizing the Division of Financial Institutions of the Department of Business and Industry to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.
- 2. In addition to any other lawful reasons, the Commissioner may refuse to issue a license to an applicant if the applicant:
- (a) Has committed or participated in any act for which, if committed or done by a holder of a license, would be grounds for the suspension or revocation of the license.
- (b) Has previously been refused a license pursuant to this chapter or has had such a license suspended or revoked.
- (c) Has participated in any act which was a basis for the denial or revocation of a license pursuant to this chapter.
- (d) Has falsified any of the information submitted to the Commissioner in support of the application for a license.
- Sec. 28. 1. In addition to any other requirements, a natural person who applies for a license pursuant to this chapter shall:
- (a) Include the social security number of the applicant in the application submitted to the Commissioner; and
- (b) Submit to the Commissioner the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
- 2. The Commissioner shall include the statement required pursuant to subsection 1 in:
- (a) The application or any other forms that must be submitted for the issuance or renewal of the registration; or
  - (b) A separate form prescribed by the Commissioner.
- 3. A license as a consumer litigation funding company may not be issued or renewed by the Commissioner if the applicant:

- (a) Fails to submit the statement required pursuant to subsection 1; or
- (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Commissioner shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.
- Sec. 29. 1. If the Commissioner receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is licensed as a consumer litigation funding company, the Commissioner shall deem the license issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Commissioner receives a letter issued to the licensee by the district attorney or other public agency pursuant to NRS 425.550 stating that the licensee has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- 2. The Commissioner shall reinstate the license of a licensee that has been suspended by a district court pursuant to NRS 425.540 if the Commissioner receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- Sec. 30. 1. An application submitted to the Commissioner pursuant to section 26 of this act must be accompanied by:
- (a) A nonrefundable fee of not more than <del>[\$500]</del> \$1,000 for the application and survey;
- (b) Any additional expenses incurred in the process of investigation as the Commissioner deems necessary; and
- (c) A fee of not less than \$200 and not more than \$1,000, prorated on the basis of the licensing year as prescribed by the Commissioner.
- 2. An applicant shall, at the time of filing an application, file with the Commissioner, a <u>surety</u> bond <u>payable to the State of Nevada and satisfactory</u> to the Commissioner in an amount not to exceed \$50,000. [In lieu of the bond at the option of the applicant, the applicant may post an irrevocable letter of eredit.] The terms of the bond must run concurrent with the period of time during which the license will be in effect. The bond must provide that the applicant will faithfully conform to and abide by the provisions of this chapter

and to all regulations lawfully made by the Commissioner under this chapter and to any such person any and all amounts of money that may become due or owing to this State or to such person from the [registrant] applicant under this chapter during the period for which the bond is given.

- 3. Each bond must be in a form satisfactory to the Commissioner, issued by a bonding company authorized to do business in this State and must secure the faithful performance of the obligations of the licensee respecting the provision of the services of the consumer litigation funding company.
- 4. A licensee shall, within 10 days after the commencement of any action or notice of entry of any judgment against the licensee by any creditor or claimant arising out of business regulated by this chapter give notice thereof to the Commissioner by certified mail with details sufficient to identify the action or judgment. The surety shall, within 10 days after it pays any claim or judgment to a creditor or claimant, give notice thereof to the Commissioner by certified mail with details sufficient to identify the creditor or claimant and the claim or judgment so paid.
- 5. The liability of the surety on a bond is not affected by any misrepresentation, breach of warranty, failure to pay a premium or other act or omission of the licensee, or by any insolvency or bankruptcy of the licensee.
- 6. The liability of the surety continues as to all transactions entered into in good faith by the creditors and claimants with the agents of the licensee within 30 days after the earlier of:
- (a) The death of the licensee or the dissolution or liquidation of his or her business; or
- (b) The termination of the bond.
- 7. A licensee or his or her surety shall not cancel or alter a bond except after notice to the Commissioner by certified mail. The cancellation or alteration is not effective until 10 days after receipt of the notice by the Commissioner. A cancellation or alteration does not affect any liability incurred or accrued on the bond before the expiration of the 30-day period designated in subsection 6.
- <u>8.</u> The Commissioner shall adopt regulations establishing the amount of the fees and the bond required pursuant to this section. All money received by the Commissioner pursuant to this section must be placed in the Investigative Account created by NRS 232.545.
- Sec. 31. 1. Upon the filing of the application and the payment of the fees, the Commissioner shall investigate the facts concerning the application and the requirements provided for in this chapter.
- 2. The Commissioner may hold a hearing on the application at a time not less than 30 days after the application was filed or not more than 60 days after that date. The hearing must be held in the Office of the Commissioner or such other place as the Commissioner may designate. Notice in writing of the hearing must be sent to the applicant and to any licensee to which a notice of the application has been given and to such other person as the Commissioner may see fit, at least 10 days before the date set for the hearing.

- 3. The Commissioner shall make his or her order granting or denying the application within 10 days after the date of the closing of the hearing, unless the period is extended by written agreement between the applicant and the Commissioner.
- 4. An applicant is entitled to a hearing on the question of the qualifications of the applicant for licensure upon written request to the Commissioner if:
- (a) The Commissioner has notified the applicant in writing that the application has been denied; or
- (b) The Commissioner has not issued a license within 60 days after the application for a license was filed.
- 5. A request for a hearing may not be made more than 15 days after the Commissioner has mailed a written notice to the applicant that the application has been denied and stating in substance the findings of the Commissioner supporting the denial of the application.
- 6. The Commissioner may adopt regulations to carry out the provisions of this section.
  - Sec. 32. If the Commissioner finds:
- 1. That the financial responsibility, experience, character and general fitness of the applicant are such as to command the confidence of the public and to warrant belief that the business will be operated lawfully, honestly, fairly and efficiently, within the purposes of this chapter; fand
  - 2. That the applicant has complied with the provisions of this chapter; and
- 3. That the applicant has available for the operation of the business liquid assets of at least \$50,000,
- → he or she shall thereupon enter an order granting the application, and file his or her findings of fact together with the transcript of any hearing held under this chapter, and forthwith issue and deliver a license to the applicant.
- Sec. 33. 1. A licensee who wishes to change the address of an office or other place of business for which he or she has a license pursuant to the provisions of this chapter must, at least 10 days before changing the address, give written notice of the proposed change to the Commissioner.
- 2. Upon receipt of the proposed change of address pursuant to subsection 1, the Commissioner shall provide written approval of the change and the date of the approval.
- 3. If a licensee fails to provide notice as required pursuant to subsection 1, the Commissioner may impose a fine in an amount not to exceed [\$500.] \$1,000.
- Sec. 34. A license issued pursuant to this chapter is not transferable or assignable.
- Sec. 35. Every licensee shall maintain assets of at least \$50,000 either used or readily available for use in the conduct of the business of each licensed office.
- Sec. 35.5. A licensee who has an office or other place of business located outside of this State shall file with the Commissioner the information required pursuant to NRS 77.310 and continuously maintain a registered agent for

service of legal process. Such agent must be an attorney who is licensed to practice law in this State and who has an office located in this State.

- Sec. 36. 1. Each licensee shall keep and use in his or her business such books and accounting records as are in accord with sound and accepted accounting practices.
- 2. Each licensee shall maintain a separate record or ledger card for the account of each borrower and shall set forth separately the amount of cash advance and the total amount of interest and charges, but such a record may set forth precomputed declining balances based on the scheduled payments, without a separation of principal and charges.
- 3. Each licensee shall preserve all such books and accounting records for at least 2 years after making the final entry therein.
- 4. Each licensee who operates an office or other place of business outside this State that is licensed pursuant to this chapter shall:
- (a) Make available at a location within this State the books, accounts, papers, records and files of the office or place of business located outside this State to the Commissioner or a representative of the Commissioner; or
- (b) Pay the reasonable expenses for travel, meals and lodging of the Commissioner or a representative of the Commissioner incurred during any investigation or examination made at the office or place of business located outside this State.
- Sec. 37. A licensee shall not conduct the business of a consumer litigation funding company under any name or at a place other than stated in the license. Nothing is this section shall be construed to prohibit:
  - 1. Consumer litigation funding transactions by mail; or
- 2. Accommodations for a consumer when necessitated by hours of employment, sickness or other emergency situations.
- Sec. 38. 1. On or before January 31 of each year, a licensee shall submit a report to the Commissioner containing:
- (a) The number of consumer litigation funding transactions <u>in which</u> the company engaged in <u>this State</u> for the immediately preceding year;
- (b) A summation of the total funded amount of the consumer litigation funding transactions in which the company engaged in this State for the immediately preceding year, expressed in dollars; and
- (c) The annual percentage charged to each consumer when repayment was made.
- 2. If a licensee operated more than one office or provides consumer litigation funding to persons outside of the State, the licensee shall submit a composite report of all consumer litigation funding transactions in which the company engaged for the immediately preceding year.
- <u>3.</u> The Commissioner shall make the information contained in the report available to the public in a manner which maintains the confidentiality of the name of each company and consumer, not later than 1 year after the report is submitted.

- Sec. 38.3. <u>1. The Commissioner may impose an administrative fine of not more than \$50,000 upon a person who, without a license, conducts any business or activity for which a license is required pursuant to the provisions of this chapter.</u>
- 2. The Commissioner shall afford to any person fined pursuant to subsection 1 an opportunity for a hearing pursuant to the provisions of NRS 233B.121.
- 3. A person fined by the Commissioner pursuant to subsection 1 is entitled to judicial review of the decision of the Commissioner in the manner provided by chapter 233B of NRS.
- Sec. 38.6. <u>1. The Commissioner may suspend or revoke a license if:</u>
- (a) The licensee has failed to pay the annual license fee;
- (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted pursuant thereto;
- (c) The licensee has failed to pay an applicable tax, fee or assessment; or
- (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license pursuant to the provisions of this chapter.
- 2. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, the Commissioner shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.
- 3. At the conclusion of a hearing, the Commissioner shall:
- (a) Enter a written order either dismissing the charges, revoking the license or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. The Commissioner shall send a copy of the order to the licensee by registered or certified mail.
- (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any regulation adopted pursuant thereto.
- (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including investigative costs and attorney's fees of the Commissioner.
- 4. Unless otherwise provided in an order, the order for the revocation or suspension of a license applies only to the license granted to a person for the particular location for which grounds for revocation or suspension exist.
- 5. A licensee upon whom a fine has been imposed or whose license was suspended or revoked pursuant to this section is entitled to judicial review of the decision in the manner provided by chapter 233B of NRS.
- Sec. 38.8. <u>1. Except as otherwise provided in this section, if a licensee willfully:</u>
- (a) Enters into a consumer litigation funding contract for an amount of interest or any other charge or fee that violates the provisions of this chapter or any regulation adopted pursuant thereto;

- (b) Demands, collects or receives an amount of interest or any other charge or fee that violates the provisions of this chapter or any regulation adopted pursuant thereto; or
- (c) Commits any other act or omission that violates the provisions of this chapter or any regulation adopted pursuant thereto,
- the consumer litigation funding contract is void and the licensee is not entitled to collect, receive or retain any principal, interest or other charges of fees with respect to the consumer litigation funding transaction.
- 2. The provisions of this section do not apply if:
- (a) A licensee shows by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error of computation, notwithstanding the maintenance of procedures reasonably adapted to avoid that error; and
- (b) Within 60 days after discovering the error, the licensee notifies the customer of the error and makes whatever adjustments in the account are necessary to correct the error.
- Sec. 39. 1. Notwithstanding the amendatory provisions of this act, a consumer litigation funding company that submits an application for licensure pursuant to section 26 of this act on or before January 1, 2020, or such other date as the Commissioner of Financial Institutions may prescribe by regulation, may continue to conduct consumer litigation funding transactions while the application for licensure is pending approval or denial.
  - 2. As used in this section:
- (a) "Consumer litigation funding company" has the meaning ascribed to it in section 8 of this act.
- (b) "Consumer litigation funding transaction" has the meaning ascribed to it in section 10 of this act.
- Sec. 40. The amendatory provisions of this act do not apply to any contract entered into before July 1, 2019, until the contract is extended or renewed.
  - Sec. 41. 1. This act becomes effective on July 1, 2019.
- 2. Sections 28 and 29 of this act expire 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:
- (a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or 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, → are repealed by the Congress of the United States.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 472 makes seven changes to Senate Bill No. 432. The amendment provides for the definition of "applicant"; requires certain information to be included in a consumer-litigation funding contract; requires the consumer-litigation funding company to notify

the attorney or law firm when a consumer cancels a consumer-litigation contract; provides that any person engaged in the business of a consumer-litigation company without a license is guilty of a misdemeanor; requires an applicant for a license to submit a surety bond payable to the State of Nevada; requires a licensee to notify the Commissioner of the Division of Financial Institutions of the Department of Business and Industry of any businesses located outside of the State, and authorizes the Commissioner to impose fines and suspend or revoke the license of a licensee for certain violations.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 481.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 575.

SUMMARY—Revises provisions relating to health insurance. (BDR 57-788)

AN ACT relating to health insurance; establishing requirements for obtaining a certificate of authority for self-funded multiple employer welfare arrangements; establishing requirements for short-term limited duration medical plan cancellation and rescission; allowing certain consumers to purchase individual health insurance policies outside the rating area where they reside; revising provisions relating to health benefit plans that are not purchased on the Silver State Health Insurance Exchange; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth requirements for policies of health insurance which include a policy, contract, certificate, plan or agreement issued for the provision of, delivery of, arrangement for, payment for or reimbursement for any costs of a health care service for large and small employers. (Chapters 689B and 689C of NRS) Large employers and certain small employers have been able to participate in association health plans to provide policies of health insurance for their employees. Recent changes in the United States Department of Labor rules allow additional small employers to participate in certain association health plans. Sections 1-5 of this bill define multiple employer welfare arrangements and establish requirements for a certificate of authority to be issued to a self-funded multiple employer welfare arrangement. Sections 6 and 10 of this bill provide that only one policy of short-term health insurance may be issued to an insured during a 365-day period, except it may be extended to cover a period of hospitalization. Section 7 of this bill [prohibits]: (1) requires a carrier [from] issuing a health benefit plan that is not fa qualified health plan certified by being purchased on the Silver State Health Insurance Exchange 😝 to provide on its enrollment Internet website and printed enrollment information a notice to inform consumers that consumers may be eligible for financial assistance with their health insurance premiums or other out-of-pocket expenses by enrolling on the Silver State Health Insurance Exchange; and (2) specifies the information to be provided in that notice. Sections 8 and 9 of this bill establish the requirements for cancellation and rescission of a short-term limited duration medical plan. [Section 11 of this bill redefines qualified health plan.] Section 12 of this bill authorizes the Silver State Health Insurance Exchange to facilitate certain individuals purchasing individual health insurance policies in a manner which, in effect, will allow the individuals to purchase a plan from outside the rating area where they reside.

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

- Section 1. Chapter 680A of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.
- Sec. 2. "Multiple employer welfare arrangement" has the meaning ascribed to it in 29 U.S.C. § 1002(40).
  - Sec. 3. To the extent applicable and not inconsistent with federal law:
- 1. The provisions of this chapter that govern domestic insurers, their business, capital and surplus requirements and the requirements for eligibility for a certificate of authority govern <u>self-funded</u> multiple employer welfare arrangements; and
- 2. A <u>self-funded multiple</u> employer welfare arrangement must comply with the criteria set forth in this chapter to qualify for a certificate of authority.
- Sec. 4. The Commissioner may not issue a certificate of authority to a self-funded multiple employer welfare arrangement unless the arrangement establishes to the satisfaction of the Commissioner that the following requirements have been satisfied by the arrangement:
- 1. The employers participating in the arrangement are members of a bona fide association;
- 2. The employers participating in the arrangement exercise control over the arrangement, as follows:
- (a) Subject to paragraph (b) of this subsection, control exists if the board of directors of the bona fide association or the employers participating in the arrangement have the right to elect at least 75 percent of the individuals designated in the arrangement's organizational documents as having control over operations of the arrangement and individuals designated in the arrangement's organizational documents in fact exercise control over the operation of the arrangement; and
- (b) The use of a third-party administrator to process claims and to assist in the administration of the arrangement is not evidence of the lack of control over the operation of the arrangement;
  - 3. In this State, the arrangement provides only health care services;
- 4. In this State, the arrangement provides or arranges benefits for health care services in compliance with the provisions of this title that mandate particular benefits or offerings and with provisions that require access to particular types or categories of health care providers and facilities;

- 5. The arrangement provides health care services to not less than 20 employers and not less than 75 employees;
- 6. The arrangement may not solicit participation in the arrangement from the general public. However, the arrangement may employ licensed insurance producers who receive a commission, unlicensed individuals who do not receive a commission, and may contract with a licensed insurance producer who may be paid a commission or other remuneration, for the purpose of enrolling and renewing the enrollments of employers in the arrangement;
- 7. The arrangement has been in existence and operated actively for a continuous period of not less than 10 years as of December 31, 2018, except for an arrangement that has been in existence and operated actively since December 31, 2015, and is sponsored by an association that has been in existence more than 25 years;
- 8. The arrangement is not organized or maintained solely as a conduit for the collection of premiums and the forwarding of premiums to an insurance company; and
- 9. The arrangement has aggregate stop loss coverage, with an attachment point of 120 percent of expected claims.
  - Sec. 5. NRS 680A.010 is hereby amended to read as follows:
- 680A.010 As used in this Code, unless the context otherwise requires, the words and terms defined in NRS 680A.020 to 680A.050, inclusive, *and section 2 of this act* shall have the meanings ascribed to them in NRS 680A.020 to 680A.050, inclusive [-], *and section 2 of this act*.
  - Sec. 6. NRS 687B.470 is hereby amended to read as follows:
- 687B.470 1. As used in NRS 687B.470 to 687B.500, inclusive, "health benefit plan" means a policy, contract, certificate or agreement offered by a carrier to provide for, deliver payment for, arrange for the payment of, pay for or reimburse any of the costs of health care services. Except as otherwise provided in this section, the term includes catastrophic health insurance policies and a policy that pays on a cost-incurred basis.
  - 2. The term does not include:
- (a) Coverage that is only for accident or disability income insurance, or any combination thereof;
  - (b) Coverage issued as a supplement to liability insurance;
- (c) Liability insurance, including general liability insurance and automobile liability insurance;
  - (d) Workers' compensation or similar insurance;
  - (e) Coverage for medical payments under a policy of automobile insurance;
  - (f) Credit insurance;
  - (g) Coverage for on-site medical clinics;
- (h) Other similar insurance coverage specified pursuant to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, under which benefits for medical care are secondary or incidental to other insurance benefits:
  - (i) Coverage under a short-term health insurance policy [; and] which is:

- (1) Issued to provide coverage that does not result in an individual being covered by one or more short-term health insurance policies for more than 185 days in a 365-day period, but such coverage may be extended to provide coverage until the end of a period of hospitalization for a condition which the person covered by the policy is hospitalized on the day coverage would have otherwise ended; and
- (2) Nonrenewable or is extended to provide coverage for the period of hospitalization; and
  - (j) Coverage under a blanket student accident and health insurance policy.
- 3. The term does not include the following benefits if the benefits are provided under a separate policy, certificate or contract of insurance or are otherwise not an integral part of a health benefit plan:
  - (a) Limited-scope dental or vision benefits;
- (b) Benefits for long-term care, nursing home care, home health care or community-based care, or any combination thereof; and
- (c) Such other similar benefits as are specified in any federal regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- 4. The term does not include the following benefits if the benefits are provided under a separate policy, certificate or contract, there is no coordination between the provisions of the benefits and any exclusion of benefits under any group health plan maintained by the same plan sponsor, and the benefits are paid for a claim without regard to whether benefits are provided for such a claim under any group health plan maintained by the same plan sponsor:
  - (a) Coverage that is only for a specified disease or illness; and
  - (b) Hospital indemnity or other fixed indemnity insurance.
- 5. The term does not include any of the following, if offered as a separate policy, certificate or contract of insurance:
- (a) Medicare supplemental health insurance as defined in section 1882(g)(1) of the Social Security Act, 42 U.S.C. § 1395ss, as that section existed on July 16, 1997;
- (b) Coverage supplemental to the coverage provided pursuant to the Civilian Health and Medical Program of Uniformed Services, [CHAMPUS,] *TRICARE*, 10 U.S.C. §§ 1071 et seq.; and
  - (c) Similar supplemental coverage provided under a group health plan.
  - Sec. 7. NRS 687B.480 is hereby amended to read as follows:
- 687B.480 1. All health benefit plans must be made available in the manner required by 45 C.F.R. § 147.104.
- 2. <u>In addition to the requirements of subsection 1, any health benefit plan</u> <u>for individuals that is not purchased on the Silver State Health Insurance Exchange established by NRS 695I.210:</u>
- (a) Must be made available for purchase at any time during the calendar year;

- (b) Is subject to a waiting period of not more than 90 days after the date on which the application for coverage was received;
- (c) Is effective upon the first day of the month immediately succeeding the month in which the waiting period expires; and
- <u>(d)</u> Is not retroactive to the date on which the application for coverage was received. [41]
- 3. Except as otherwise provided in this subsection, a carrier [shall not issue a health benefit plan that is not a qualified health plan pursuant to NRS 6951.080;;] offering a health benefit plan for individuals that is not being purchased on the Silver State Health Insurance Exchange established by NRS 6951.210 must include on its enrollment Internet website and printed enrollment information a notice to inform consumers that consumers may be eligible for financial assistance with their health insurance premiums or other out-of-pocket expenses by enrolling on the Silver State Health Insurance Exchange established by NRS 6951.210. A carrier is not required to provide the notice required by this subsection if such financial assistance is not available. The notice required by this subsection must contain the following statement:

You can also enroll in a health insurance plan for you and your family through the Silver State Health Insurance Exchange (Nevada's state-based health insurance exchange). The Silver State Health Insurance Exchange allows you to get quotes from different insurance companies that are available on the Exchange. You can compare different plans, get quotes and find out if you qualify for financial assistance. The Silver State Health Insurance Exchange is the only way to receive financial assistance for your health insurance. You can enroll online by visiting www.nevadahealthlink.com or by calling 855-768-5465.

- 4. The Commission may adopt regulations to carry out the provisions of subsection 3, including, without limitation, regulations to require additional information to be provided in the notice required by subsection 3.
- Sec. 8. Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A short-term limited duration medical plan shall not be cancelled by the carrier during the coverage period except for the following:
  - (a) Nonpayment of premium;
- (b) Violation of published policies of the carrier approved by the Commissioner;
- (c) Failure of a member to pay any deductible or copayment amount owed to the carrier and not the provider of health care services;
  - (d) Members committing fraudulent acts as to the carrier;
  - (e) A member's material breach of the medical plan; or
- (f) Change or implementation of federal or state laws that no longer permit the continued offering of such coverage.

- 2. Except as otherwise provided in subsections 3 and 4, a short-term limited duration medical plan must not be rescinded by the carrier during the coverage period except for nonpayment of premium.
- 3. Except as provided in subsection 4 of this section, no oral or written misrepresentation or warranty made by the person applying for coverage or on his or her behalf in the process of applying for a short-term limited duration medical plan shall be deemed material or allow the carrier to rescind the medical plan, unless the misrepresentation or warranty is made to deceive.
- 4. In any application for a short-term limited duration medical plan made in writing by a person, all statements in the application by the person shall, in the absence of fraud, be deemed representations and not warranties. The falsity of any such statement shall not bar the right to recovery under the contract unless such false statement was made with actual intent to deceive or unless it materially affected either the acceptance of the risk or the hazard assumed by the carrier.
- 5. When cancellation or rescission is for nonpayment of premium, the carrier must notify the member in writing 10 days prior to the cancellation or rescission that his or her short-term limited duration medical plan will be cancelled, unless payment is made prior to the cancellation date. When cancellation is for any other reason allowed under subsection 1, the carrier must notify the member in writing 20 days prior to the cancellation date. The notice must specifically state the reason or reasons for the cancellation. The written communications required by this subsection must be phrased in simple language that is readily understood.
  - Sec. 9. NRS 689A.040 is hereby amended to read as follows:
- 689A.040 1. Except as otherwise provided in subsection 2, each such policy delivered or issued for delivery to any person in this State must contain the provisions specified in NRS 689A.050 to 689A.170, inclusive, *and section 8 of this act*, in the words in which the provisions appear, except that the insurer may, at its option, substitute for one or more of the provisions corresponding provisions of different wording approved by the Commissioner which are in each instance not less favorable in any respect to the insured or the beneficiary. Each such provision must be preceded individually by the applicable caption shown or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the Commissioner may approve.
- 2. If any such provision is in whole or in part inapplicable to or inconsistent with the coverage provided by a particular form of policy, the insurer, with the approval of the Commissioner, may omit from the policy any inapplicable provision or part of a provision, and shall modify any inconsistent provision or part of a provision in such a manner as to make the provision as contained in the policy consistent with the coverage provided by the policy.
  - Sec. 10. NRS 689A.540 is hereby amended to read as follows:
- 689A.540 1. "Health benefit plan" means a policy, contract, certificate or agreement offered by a carrier to provide for, deliver payment for, arrange for the payment of, pay for or reimburse any of the costs of health care services.

Except as otherwise provided in this section, the term includes catastrophic health insurance policies and a policy that pays on a cost-incurred basis.

- 2. The term does not include:
- (a) Coverage that is only for accident or disability income insurance, or any combination thereof;
  - (b) Coverage issued as a supplement to liability insurance;
- (c) Liability insurance, including general liability insurance and automobile liability insurance;
  - (d) Workers' compensation or similar insurance;
  - (e) Coverage for medical payments under a policy of automobile insurance;
  - (f) Credit insurance;
  - (g) Coverage for on-site medical clinics;
- (h) Other similar insurance coverage specified in federal regulations issued pursuant to Public Law 104-191 under which benefits for medical care are secondary or incidental to other insurance benefits;
  - (i) Coverage under a short-term health insurance policy [; and] which is:
- (1) Issued to provide coverage that does not result in an individual being covered by one or more short-term health insurance policies for more than 185 days in a 365-day period, but such coverage may be extended to provide coverage until the end of a period of hospitalization for a condition which the person covered by the policy is hospitalized on the day coverage would have otherwise ended; and
- (2) Nonrenewable or is extended to provide coverage for the period of hospitalization; and
  - (j) Coverage under a blanket student accident and health insurance policy.
- 3. The term does not include the following benefits if the benefits are provided under a separate policy, certificate or contract of insurance or are otherwise not an integral part of a health benefit plan:
  - (a) Limited-scope dental or vision benefits;
- (b) Benefits for long-term care, nursing home care, home health care or community-based care, or any combination thereof; and
- (c) Such other similar benefits as are specified in any federal regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- 4. The term does not include the following benefits if the benefits are provided under a separate policy, certificate or contract of insurance, there is no coordination between the provision of the benefits and any exclusion of benefits under any group health plan maintained by the same plan sponsor, and the benefits are paid for a claim without regard to whether benefits are provided for such a claim under any group health plan maintained by the same plan sponsor:
  - (a) Coverage that is only for a specified disease or illness; and
  - (b) Hospital indemnity or other fixed indemnity insurance.
- 5. The term does not include any of the following, if offered as a separate policy, certificate or contract of insurance:

- (a) Medicare supplemental health insurance as defined in section 1882(g)(1) of the Social Security Act, 42 U.S.C. § 1395ss, as that section existed on July 16, 1997;
- (b) Coverage supplemental to the coverage provided pursuant to the Civilian Health and Medical Program of Uniformed Services, [CHAMPUS,] *TRICARE*, 10 U.S.C. §§ 1071 et seq.; and
  - (c) Similar supplemental coverage provided under a group health plan.
  - Sec. 11. INRS 6951.080 is hereby amended to read as follows:

—695I.080 [Except as otherwise provided in NRS 695I.370, "qualified] "Qualified health plan" [has the meaning ascribed to it in § 1301 of the Federal Act.] means a health benefit plan certified by the Exchange.] (Deleted by amendment.)

Sec. 12. NRS 695I.210 is hereby amended to read as follows:

695I.210 1. The Exchange shall:

- (a) Create and administer a health insurance exchange;
- (b) Facilitate the purchase and sale of qualified health plans [;] consistent with established patterns of care within the State;
- (c) Provide for the establishment of a program to assist qualified small employers in Nevada in facilitating the enrollment of their employees in qualified health plans offered in the small group market;
- (d) Make only qualified health plans available to qualified individuals and qualified small employers on or after January 1, 2014; and
- (e) Unless the Federal Act is repealed or is held to be unconstitutional or otherwise invalid or unlawful, perform all duties that are required of the Exchange to implement the requirements of the Federal Act.
  - 2. The Exchange may:
- (a) Enter into contracts with any person, including, without limitation, a local government, a political subdivision of a local government and a governmental agency, to assist in carrying out the duties and powers of the Exchange or the Board; and
- (b) Apply for and accept any gift, donation, bequest, grant or other source of money to carry out the duties and powers of the Exchange or the Board.
  - 3. The Exchange is subject to the provisions of chapter 333 of NRS.
- Sec. 13. 1. This section and sections 1 to 5, inclusive, of this act become effective on July 1, 2019.
- 2. Sections 6 to 10, inclusive, of this act become effective on July 1, 2019, for the purposes of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act, and on January 1, 2020, for all other purposes.
- 3. [Sections 11 and] Section 12 of this act [become] becomes effective on July 1, 2019, for the purposes of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act, and on January 1, 2021, for all other purposes.

Senator Spearman moved the adoption of the amendment.

Remarks by Senators Spearman and Settelmeyer.

#### SENATOR SPEARMAN:

Amendment No. 575 makes three changes to Senate Bill No. 481. The amendment amends section 3 to clarify that self-funded Multiple Employer Welfare Arrangement (MEWA) are subject to the provisions of this bill and require that self-funded MEWAs comply with the criteria established to qualify for a certificate of authority; amends section 7 to require a carrier that offers an individual health-benefit plan to include on either its enrollment website or printed enrollment information notice that a consumer may be eligible to certain benefits on the Silver State Health Insurance Exchange; however, such notice is not required if the federal financial assistance is not available, and deletes section 11 in its entirety, which defines "qualified health plan."

#### SENATOR SETTELMEYER:

Before this bill goes to the General File, could the Chair explain the difference between Amendment No. 319 and Amendment No. 575 which is replacing it?

## SENATOR SPEARMAN:

I do not have an answer right now, but I will follow up with my colleague.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 486.

Bill read second time.

The following amendment was proposed by the Committee on Growth and Infrastructure:

Amendment No. 329.

SUMMARY—Revises provisions relating to the issuance of citations. (BDR 43-1149)

AN ACT relating to citations; revising provisions relating to the <u>form of certain citations and the</u> notice to appear that results from the acceptance by a person of a citation from a peace officer in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a traffic citation is deemed a lawful complaint for the purposes of prosecution if the form of the citation: (1) includes an attestation charging commission of the offense alleged; or (2) is prepared electronically. (NRS 484A.620) Section 1 of this bill requires the attestation regardless of whether the citation was prepared electronically or otherwise. Under existing law, if a person refuses to sign a copy of certain citations issued by a peace officer who has halted the person's motor vehicle, the peace officer may deliver the citation to the person, and acceptance of such a copy is deemed personal service of a notice to appear in court to adjudicate the citation. (NRS 62C.070, 484A.630, 484A.720, 484A.760) Sections [1-4] 2-5\_of this bill revise the language to provide that when a person physically receives a copy of a citation, receipt of the citation shall be deemed personal service of a notice to appear in court to adjudicate the citation.

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

Section 1. NRS 484A.620 is hereby amended to read as follows:

484A.620 [H] Regardless of whether a citation is prepared electronically or by other means, if the form of citation [+:

1. Includes includes information whose truthfulness is attested as required for a complaint charging commission of the offense alleged in the citation to have been committed, f; or

## 2. Is prepared electronically,

then the citation when filed with a court of competent jurisdiction shall be deemed to be a lawful complaint for the purpose of prosecution pursuant to chapters 484A to 484E, inclusive, of NRS.

[Section 1.] Sec. 2. NRS 484A.630 is hereby amended to read as follows:

- 484A.630 1. Whenever a person is halted by a peace officer for any violation of chapters 484A to 484E, inclusive, of NRS punishable as a misdemeanor and is not taken before a magistrate as required or permitted by NRS 484A.720 and 484A.730, the peace officer may prepare a traffic citation manually or electronically in the form of a complaint issuing in the name of "The State of Nevada," containing a notice to appear in court, the name and address of the person, the state registration number of the person's vehicle, if any, the number of the person's driver's license, if any, the offense charged, including a brief description of the offense and the NRS citation, the time and place when and where the person is required to appear in court, and such other pertinent information as may be necessary. The peace officer shall sign the citation and deliver a copy of the citation to the person charged with the violation. If the citation is prepared electronically, the peace officer shall sign the copy of the citation that is delivered to the person charged with the violation.
- 2. The time specified in the notice to appear must be at least 5 days after the alleged violation unless the person charged with the violation demands an earlier hearing.
- 3. The place specified in the notice to appear must be before a magistrate, as designated in NRS 484A.750.
- 4. The person charged with the violation may give his or her written promise to appear in court by signing *or physically receiving* at least one copy of the traffic citation prepared by the peace officer and thereupon the peace officer shall not take the person into physical custody for the violation. If the citation is prepared electronically, the peace officer shall indicate on the electronic record of the citation whether the person charged gave his or her written promise to appear. A copy of the citation that is signed by the person charged or the electronic record of the citation which indicates that the person charged gave his or her written promise to appear suffices as proof of service.
- 5. If the person charged with the violation refuses to sign a copy of the traffic citation but {accepts} physically receives a copy of the citation delivered by the peace officer:
- (a) The  $\frac{\text{[acceptance]}}{\text{receipt}}$  shall be deemed personal service of the notice to appear in court;

- (b) A copy of the citation signed by the peace officer suffices as proof of service; and
- (c) The peace officer shall not take the person into physical custody for the violation.
- [Sec. 2.] Sec. 3. NRS 484A.720 is hereby amended to read as follows: 484A.720 Whenever any person is halted by a peace officer for any violation of chapters 484A to 484E, inclusive, of NRS not amounting to a gross misdemeanor or felony, the person shall be taken without unnecessary delay before the proper magistrate, as specified in NRS 484A.750, in either of the following cases:
- 1. When the person demands an immediate appearance before a magistrate; or
- 2. In any other event when the person is issued a traffic citation by an authorized person and refuses to sign or [accept] take physical delivery of a copy of the traffic citation.
- 18ce. 3.] Sec. 4. NRS 484A.760 is hereby amended to read as follows: 484A.760 Whenever any person is taken into custody by a peace officer for the purpose of taking him or her before a magistrate or court as authorized or required in chapters 484A to 484E, inclusive, of NRS upon any charge other than a felony or the offenses enumerated in paragraphs (a) to (e), inclusive, of subsection 1 of NRS 484A.710, and no magistrate is available at the time of arrest, and there is no bail schedule established by the magistrate or court and no lawfully designated court clerk or other public officer who is available and authorized to accept bail upon behalf of the magistrate or court, the person must be released from custody upon the issuance to the person of a misdemeanor citation or traffic citation and the person signing a promise to appear, as provided in NRS 171.1773 or 484A.630, respectively, or [accepting] physically receiving a copy of the traffic citation, as provided in NRS 484A.630.
  - [Sec. 4.] Sec. 5. NRS 62C.070 is hereby amended to read as follows:
- 62C.070 1. If a child is stopped by a peace officer for a violation of any traffic law or ordinance which is punishable as a misdemeanor, the peace officer may prepare and issue a traffic citation pursuant to the same criteria as would apply to an adult violator. The peace officer shall deliver a copy of the citation to the child.
- 2. If a child who is issued a traffic citation executes a written promise to appear in court by signing the citation, the peace officer shall not take the child into physical custody for the violation.
- 3. If a child who is issued a traffic citation refuses to execute a written promise to appear in court but [accepts] physically receives a copy of the citation delivered by the peace officer:
- (a) The [acceptance] receipt shall be deemed personal service of the notice to appear in court;
- (b) A copy of the citation signed by the peace officer suffices as proof of service; and

(c) The peace officer shall not take the child into physical custody for the violation.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 329 makes one change to Senate Bill No. 486. The amendment clarifies certain traffic citations are deemed to be a lawful complaint when filed with a court, regardless of whether the citation was prepared electronically or by other means.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senator Cannizzaro moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 5:49 p.m.

## SENATE IN SESSION

At 5:54 p.m.

President Marshall presiding.

Quorum present.

## REPORTS OF COMMITTEE

Madam President:

Your Committee on Legislative Operations and Elections, to which were referred Senate Bills Nos. 123, 450, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JAMES OHRENSCHALL, Chair

## MOTIONS, RESOLUTIONS AND NOTICES

Senator Woodhouse moved that Senate Bill No. 215 be taken from the General File and re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Senator Cannizzaro moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 5:55 p.m.

## SENATE IN SESSION

At 8:33 p.m.

President Marshall presiding.

Quorum present.

## REPORTS OF COMMITTEE

Madam President:

Your Committee on Judiciary, to which was referred Senate Bill No. 151, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

NICOLE J. CANNIZZARO, Chair

## MOTIONS, RESOLUTIONS AND NOTICES

Senator Parks moved that Senate Bill No. 355 be taken from the Secretary's desk and placed on the Second Reading File.

Motion carried.

Senator Woodhouse moved that Senate Bill No. 90 be taken from the General File and re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

#### SECOND READING AND AMENDMENT

Senate Bill No. 81.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 591.

SUMMARY—Revises various provisions relating to tobacco products. (BDR 32-190)

AN ACT relating to tobacco products; revising provisions governing the licensing of persons engaged in the manufacturing, distribution and sale of tobacco products; requiring wholesale dealers of other tobacco products to keep on hand at all times a certain inventory of other tobacco products; establishing procedures to claim a refund for any amount, penalty or interest erroneously paid in connection with taxes on tobacco products; revising provisions governing the possession, transfer and sale of cigarettes [;] and the reports filed by wholesale dealers of cigarettes; revising provisions governing revenue stamps; requiring manufacturers and retail dealers of cigarettes to maintain certain information on file with the Department of Taxation; revising requirements for wholesale dealers of cigarettes and distributors to report certain information to the Department; revising civil penalties imposed for certain violations of law governing tobacco products; revising provisions governing the imposition and payment of the tax on other tobacco products; revising requirements for wholesale dealers and retail dealers of other tobacco products to retain certain records; revising provisions governing changes to the directory of cigarette manufacturers and brand families maintained by the Department; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Department of Taxation to regulate and collect a tax on cigarettes and other tobacco products. Existing law also provides for the licensing of persons engaged in the manufacture, distribution and sale of cigarettes and other tobacco products, including cigarette manufacturers, wholesale dealers of cigarettes, retail dealers of cigarettes, wholesale dealers of other tobacco products and retail dealers of other tobacco products. Existing law regulates licenses related to cigarettes separately from licenses related to other tobacco products. (Chapter 370 of NRS) Sections 2-34 of this bill establish uniform provisions for the licensing of persons engaged in the

manufacture, distribution and sale of cigarettes and other tobacco products and establish new licenses for logistics companies and warehouse or distribution centers. Sections 46, 47, 53, 54, 58, 61-65, 67, 69, 71, 75, 79 and 81 of this bill make conforming changes.

Sections 36-45 of this bill establish procedures for a person to claim a refund for any amount, penalty or interest that was erroneously or illegally collected or computed in connection with the taxes on tobacco products.

Existing law requires a wholesale dealer of cigarettes to keep on hand at all times cigarettes of a wholesale value of at least \$10,000. (NRS 370.090) Section 35 of this bill requires a wholesale dealer of other tobacco products to keep on hand at all times other tobacco products of a wholesale value of at least \$5,000.

Existing law provides for the collection of tax on cigarettes through the use of revenue stamps. (NRS 370.170) Existing law contemplates the sale of unstamped packages of cigarettes to a wholesale dealer of cigarettes in this State by the manufacturer or by another wholesale dealer. (NRS 370.055) Section 48 of this bill revises the activities that cause a person to be considered a wholesale dealer of cigarettes and provides that the activities of a wholesale dealer of cigarettes do not include the purchase of unstamped cigarettes from anyone other than the manufacturer.

Existing law requires a person who ships unstamped cigarette packages into this State to a person other than a wholesale dealer to file a notice of that shipment with the Department. (NRS 370.175) Section 51 of this bill removes this requirement. Section 51 also authorizes a person engaged in the manufacturing, testing, investigation or research of cigarettes or other tobacco products to possess unstamped cigarette packages.

Existing law requires a retail dealer of cigarettes to ensure that a package of cigarettes has a revenue stamp or metered stamping machine indicia affixed at the time of sale to a consumer. (NRS 370.270) Section 59 of this bill requires a retail dealer to ensure that the revenue stamp is affixed [at the time] not later than 5 days after the dealer takes possession of the package of cigarettes.

Existing law authorizes the Department to issue a refund to a manufacturer or wholesale dealer of cigarettes on any revenue stamp tax paid, less any discount previously allowed, upon cigarettes which are destroyed because the cigarettes had become stale. (NRS 370.280) Section 60 of this bill authorizes the Department to issue a refund for revenue stamp tax paid on cigarettes which are damaged. Section 60 also requires a wholesale dealer who ceases operations in this State to return unused tribal revenue stamps to the Department not later than 10 days after the wholesale dealer ceases operations in this State.

Existing law prohibits a wholesale dealer of cigarettes from affixing a revenue stamp or metered stamping machine indicia to packages of cigarettes which: (1) violate or fail to meet certain federal requirements; (2) were not intended for export; or (3) have been altered through the unauthorized addition or removal of certain wording. (NRS 370.385) Section 68 of this bill prohibits

a wholesale dealer or retail dealer from accepting or possessing such packages of cigarettes.

Existing law requires each wholesale dealer of cigarettes to maintain on file with the Department a permanent mailing address and an electronic mail address. (NRS 370.073) Section 49 of this bill requires a retail dealer of cigarettes and a manufacturer to maintain on file with the Department a permanent mailing address and electronic mail address.

Section 57 of this bill <u>revises and consolidates</u> into one section requirements for a wholesale dealer of cigarettes to make a monthly report to the Department regarding the inventory and activities of the wholesale dealer.

Section 72 of this bill revises the civil penalties which the Department is authorized to impose for the violation of certain provisions governing the manufacture, sale and distribution of cigarettes or other tobacco products.

Existing law imposes a tax upon the purchase or possession of other tobacco products by a customer in this State at a rate of 30 percent of the wholesale price of those products. (NRS 370.450) Under existing law, the tax is required to be collected and paid by the wholesale dealer of other tobacco products after the sale or distribution of such products by the wholesale dealer, and the wholesale dealer is required to submit a report to the Department of the other tobacco products that were sold by the wholesale dealer during the previous month. (NRS 370.450, 370.465) Section 73 of this bill revises the definition of a "wholesale dealer of other tobacco products" and the definition of "wholesale price" used to calculate the tax owed. Section 73.3 of this bill revises provisions governing the collection and payment of the tax to require the tax to be imposed: (1) at the time the other tobacco products are first possessed or received by a wholesale dealer who maintains a place of business in this State for sale or disposition in this State; (2) at the time the other tobacco products are sold by a wholesale dealer who does not maintain a place of business in this State to a retail dealer or ultimate consumer in this State; or (3) for other tobacco products manufactured, produced, fabricated, assembled, processed, labeled or finished in this State, at the time the other tobacco products are sold in this State to a wholesale dealer of other tobacco products, a retail dealer or an ultimate consumer. Under sections 73.3 and 73.7 of this bill, the tax is required to be paid to the Department not later than 20 days after the end of the month in which the tax is imposed. Sections 82.5 and 84 of this bill provide that the revisions to the provisions governing the imposition and payment of the tax on other tobacco products become effective on January 1, 2020, and apply to any other tobacco products purchased, received or sold by a wholesale dealer before January 1, 2020, if the tax on those products has not been paid before January 1, 2020. Under section 82.5, a wholesale dealer is required to remit the tax on those products to the Department at the time the wholesale dealer remits to the Department the taxes due for the January 2020 period.

Existing law requires a wholesale dealer of other tobacco products to obtain itemized invoices for any other tobacco products purchased from a

manufacturer or wholesale dealer who is not licensed in this State. (NRS 370.470) Section 74 of this bill requires a wholesale dealer of other tobacco products to obtain an itemized invoice from every manufacturer or wholesale dealer from whom the wholesale dealer purchases other tobacco products. Section 74 also requires a retail dealer of other tobacco products to obtain an itemized invoice from each wholesale dealer from whom the retail dealer purchases other tobacco products.

Existing law requires the Department to maintain a directory of all manufacturers of tobacco products who have complied with certain certification requirements and all brand families listed in those certifications. (NRS 370.675) Existing law prohibits the sale of cigarettes not listed in the directory. (NRS 370.695) Under existing law, the Department is required to notify each wholesale dealer of cigarettes when a manufacturer or brand family is added to or removed from the directory. A wholesale dealer is then required to notify each retail dealer who is a customer of the wholesale dealer of any such change. (NRS 370.677) Section 76 of this bill requires the Department to notify wholesale dealers and retail dealers of cigarettes of any change to the directory including the addition or removal of a style of cigarettes. Section 76 also removes the authority of the Department to notify wholesale dealers and retail dealers by mailing notice to a physical address and, instead, requires the Department to notify wholesale dealers and retail dealers by electronic mail. Finally, section 76 requires a wholesale dealer of cigarettes to identify and set aside for sale outside of this State any products from a manufacturer, style or brand family that has been removed from the directory within 20 days after receiving the notice of the removal of the manufacturer or brand family.

Existing law requires each distributor of cigarettes to submit certain information to the Department 20 calendar days after the end of each calendar quarter. (NRS 370.685) Section 78 of this bill requires this information to be reported on or before the 25th day of each calendar month.

Sections 52-54, 56, 59, 60, 61, 66, 68 and 70 of this bill remove references to metered machine impressions as evidence of payment of the tax on cigarettes.

Section 80 of this bill provides that the Department will not accept bonds, savings certificates, certificates of deposit or investment certificates in lieu of the surety bond required to be filed by wholesale dealers of cigarettes and wholesale dealers of other tobacco products.

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

- Section 1. Chapter 370 of NRS is hereby amended by adding thereto the provisions set forth as sections  $\frac{21}{1.3}$  to 45, inclusive, of this act.
- Sec. 1.3. <u>As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 1.5 and 1.7 of this act have the meanings ascribed to them in those sections.</u>

- Sec. 1.5. "Knowingly" means actual knowledge that the facts exist which constitute an act or omission, or such knowledge as an ordinarily prudent person would possess using reasonable care and diligence.
- Sec. 1.7. "Negligently" means a want of such attention to the nature or probable consequences of an act or omission as an ordinarily prudent person usually exercises in his or her own business.
- Sec. 2. As used in sections 2 to 34, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 18, inclusive, of this act have the meanings ascribed to them in those sections.
  - Sec. 3. "Cigarette" has the meaning ascribed to it in NRS 370.010.
- Sec. 4. "Cigarette rolling machine" has the meaning ascribed to it in NRS 370.014.
- Sec. 5. "Cigarette vending machine operator" has the meaning ascribed to it in NRS 370.015.
  - Sec. 5.5. "Commission" means the Nevada Tax Commission.
- Sec. 6. "Consumer" means any person who comes into possession of cigarettes or other tobacco products in this State as a final user for any purpose other than offering them for sale as a wholesale or retail dealer.
- Sec. 7. "License" means a license issued pursuant to sections 2 to 34, inclusive, of this act that authorizes the holder of the license to operate a warehouse or distribution center or to conduct business as a manufacturer, a wholesale dealer of cigarettes, a wholesale dealer of other tobacco products, a tobacco retail dealer or a logistics company.
  - Sec. 8. "Licensee" means the holder of a license.
  - Sec. 9. <u>1.</u> "Logistics company" means a person who is:
- [1.] (a) Not licensed as a manufacturer, a wholesale dealer of cigarettes, a wholesale dealer of other tobacco products or a tobacco retail dealer; and
- [2.] (b) Authorized by a manufacturer, a wholesale dealer of cigarettes or a wholesale dealer of other tobacco products to temporarily store, fulfill orders for and coordinate the transport or delivery of cigarettes or other tobacco products from a facility in this State on behalf of and at the direction of the manufacturer, wholesale dealer of cigarettes or [a] wholesale dealer of other tobacco products.
- 2. The term does not include a common carrier who undertakes for hire, as a regular business, the transportation of cigarettes or other tobacco products from place to place, and who offers its services to all who choose to employ it and to pay its charges therefor.
- Sec. 10. "Manufacturer" has the meaning ascribed to it in NRS 370.0315.
- Sec. 11. "Other tobacco product" has the meaning ascribed to it in NRS 370.0318.
- Sec. 12. "Place of business" has the meaning ascribed to it in NRS 370.032.
- Sec. 13. "Sale" and "to sell" have the meaning ascribed to them in NRS 370.035.
  - Sec. 14. "Stamp" has the meaning ascribed to it in NRS 370.048.

- Sec. 15. "Tobacco retail dealer" has the meaning ascribed to:
- 1. "Retail dealer" in NRS 370.033: and
- "Retail dealer" in NRS 370.440.
- Sec. 16. "Warehouse or distribution center" means a building in this State which is owned, leased or rented and operated by a manufacturer, wholesale dealer of cigarettes, wholesale dealer of other tobacco products or tobacco retail dealer for the temporary storage of cigarettes or other tobacco products.
- Sec. 17. "Wholesale dealer of cigarettes" has the meaning ascribed to "wholesale dealer" in NRS 370.055.
- Sec. 18. "Wholesale dealer of other tobacco products" has the meaning ascribed to "wholesale dealer" in NRS 370.440.
- Sec. 19. 1. A person shall not engage in business as a wholesale dealer of cigarettes, a wholesale dealer of other tobacco products f, or a tobacco retail dealer in this State unless that person first secures a license to engage in that activity from the Department.
- 2. A person shall not engage in business as a cigarette vending machine operator in this State unless that person first secures a license to engage in that activity from the Department.
- 3. A person shall not engage in business as a logistics company unless that person first secures a license to engage in that activity from the Department.
- 4. A person shall not operate a warehouse or distribution center unless <del>[a]</del> that person first secures a license to engage in that activity from the Department.
  - 5. A manufacturer shall not:
  - (a) Sell any cigarettes to a wholesale dealer of cigarettes in this State; [or]
- (b) <u>Temporarily store, fulfill orders for or coordinate the transport or delivery of cigarettes by using a logistics company; or</u>
- (c) Operate or permit any person other than the manufacturer to operate a cigarette rolling machine for the purpose of producing, filling, rolling, dispensing or otherwise manufacturing cigarettes,
- □ unless that manufacturer first secures a license to engage in that activity from the Department.
- 6. A separate license is required to engage in each of the activities described in this section.
- 7. A person may be licensed as a wholesale dealer of cigarettes, a wholesale dealer of other tobacco products, a tobacco retail dealer and as an operator of a warehouse or distribution center.
- Sec. 20. The Department shall create and maintain on its Internet website and otherwise make available for public inspection a list of all:
- 1. Currently valid licenses and the identity of the licensees holding those licenses; and
- 2. Indian tribes on whose reservations or colonies cigarettes or other tobacco products are sold and, pursuant to NRS 370.515, from which the Department does not collect the tax imposed by this chapter on such cigarettes or other tobacco products sold on the reservations or colonies.

- → The Department shall update the list at least once each month.
- Sec. 21. 1. No license may be issued, maintained or renewed if:
- (a) The applicant for the license or any combination of persons directly or indirectly owning, in the aggregate, more than 10 percent of the ownership interests in the applicant:
- (1) Is delinquent in the payment of any tax, penalty or fee administered by the Department;
- (2) Is delinquent in any return that is required to be filed with the Department;
- (3) Had a license revoked or had an equivalent license revoked in another jurisdiction within the past 2 years;
- (4) Has been convicted of a crime relating to the manufacture, distribution or sale of cigarettes or other tobacco products or a crime relating to the avoidance or evasion of taxes;
  - (5) Is a manufacturer who has:
- (I) Imported any cigarettes into the United States in violation of 19 U.S.C. § 1681a; or
- (II) Imported or manufactured any cigarettes that do not fully comply with the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331 et seq.; or
- (6) Is a nonparticipating manufacturer who is not in full compliance with subsection 2 of NRS 370A.140.
- (b) Except as otherwise provided in this paragraph, the issuance of the license would result in the applicant conducting operations in the same physical location as another licensee. This paragraph does not apply to a licensee [who is] if:
  - (1) The licensee is licensed or is applying to be licensed as <del>[a]</del>:
- (I) A wholesale dealer of cigarettes or a wholesale dealer of other tobacco products; and <del>[as a]</del>
  - <u>(II) A tobacco retail dealer <del>[that would]</del> ;</u>
- (2) The licensee would conduct operations under both licenses at the same location [if each]; and
  - (3) Each licensee has the same ownership.
- (c) [The issuance would result in the applicant conducting operations as a manufacturer in the same physical location that the applicant conducts operations as a wholesale dealer of cigarettes, a wholesale dealer of other tobacco products or a tobacco retail dealer.
- $\frac{-(d)}{}$  The issuance would result in the applicant conducting operations from a residential address, storage facility, mailbox or post office box.
  - 2. As used in this section:
- (a) "Nonparticipating manufacturer" means any manufacturer of tobacco products that is not a participating manufacturer.
- (b) "Participating manufacturer" has the meaning ascribed to it in NRS 370A.080.
  - Sec. 22. An application for a license must:

- 1. Be made to the Department on forms prescribed by the Department.
- 2. Include the name and address of the applicant. If the applicant is a firm, association or partnership, the application must include the name and address of each of its members. If the applicant is a corporation, the application must include the names and addresses of the president, vice president, secretary and managing officer or officers.
- 3. Specify the location, by street and number, of the principal place of business of the applicant. In addition to specifying the principal place of business of the applicant pursuant to this subsection, an application for a license as a cigarette vending machine operator must list all cigarette vending machine locations for which the license is sought.
- 4. Specify the location, by street and number, of any place used by the applicant to distribute, ship, affix stamps to, warehouse or store cigarettes or other tobacco products and for which the license is sought.
- 5. Specify any other information the Department may require to carry out the provisions of this chapter.
- 6. Except as otherwise provided in NRS 370.001 to 370.430, inclusive, and sections 2 to 34, inclusive, of this act, if the application is for a license as a wholesale dealer of cigarettes, be accompanied by the license fee required by section 28 of this act.
- 7. Be accompanied by a certified copy of the certificate required by NRS 602.010 or any renewal certificate required by NRS 602.035.
- Sec. 23. 1. Except as otherwise provided in subsection 2, a licensee shall not operate from any location other than the location listed on the face of the license of the licensee. A person who is licensed as a cigarette vending machine operator shall provide the Department with an updated list of all cigarette vending machines maintained by that person whenever there is a change or addition to the list.
- 2. Upon application by a licensee other than a manufacturer, the Department may issue a temporary license authorizing the licensee to operate at a convention or trade show. A licensee who has been issued a temporary license may operate pursuant to that license only on the specific dates of the convention or trade show for which the temporary license was issued.
- Sec. 24. The Department may issue a license without payment of fees to any applicant who is authorized to do business on an Indian reservation or Indian colony or upon a military or other federal reservation.
  - Sec. 25. Each license must set forth:
- 1. The name of the person to whom it is issued. If the license is issued under a fictitious name, the license must also set forth the name of each of the persons conducting the business under the fictitious name.
- 2. The location, by street and number, of the premises for which the license is issued.
  - Sec. 26. Each holder of a license shall:
  - 1. Sign the license or cause an authorized representative to sign it.

- 2. Post the license in a conspicuous place in the premises for which it was issued.
- → Licenses issued under the provisions of this chapter are nontransferable, except that upon prior written notice to the Department the location of the premises for which it was issued may be changed.
  - Sec. 27.  $\frac{1}{1}$  A current license as a:
  - $\frac{\{(a)\}}{1}$  1. Manufacturer authorizes the holder thereof to  $\frac{\{sell\}}{1}$ :
- <u>(a) Sell</u> cigarettes from the premises for which the license was issued to a <u>licensed</u> wholesale dealer of cigarettes in this State <del>[who holds a current license and to ship] ;</del>
- (b) Ship cigarettes to a licensed logistics company for ; and
- (c) Temporarily store, fulfill orders for or coordinate the transport or delivery of cigarettes by using a licensed warehouse or distribution center.
- $\frac{\{(b)\}}{2}$  2. Wholesale dealer of cigarettes authorizes the holder thereof to:
- [-(1)] (a) Purchase unstamped cigarettes from any manufacturer who holds a current license;
- [-(2)] (b) Purchase stamped cigarettes from a licensed wholesale dealer of cigarettes;
- [-(3)] (c) Sell stamped cigarettes from the premises for which the license was issued to any Indian tribe or colony listed by the Department pursuant to section 20 of this act [or], to any licensed wholesale dealer of cigarettes or to any licensed tobacco retail dealer; [who holds a current license;] and
- [-(4)] (d) Temporarily store and fulfill orders for stamped cigarettes at a licensed warehouse or distribution center or through a licensed logistics company.
- f(e) 3. Wholesale dealer of other tobacco products authorizes the holder thereof to:
- [-(1)] (a) Purchase other tobacco products from any manufacturer of other tobacco products or wholesale dealer of other tobacco products;
- [-(2)] (b) Sell other tobacco products from the premises for which the license was issued to any Indian tribe or colony listed by the Department pursuant to section 20 of this act, to any [licensed] wholesale dealer of other tobacco products who holds a current license or to any tobacco retail dealer [:] who holds a current license; and
- $\frac{\{-(3)\}}{(c)}$  Temporarily store and fulfill orders for other tobacco products at a licensed warehouse or distribution center or through a licensed logistics company.
  - $\frac{f(d)}{2}$  4. Tobacco retail dealer authorizes the holder thereof to:
- $\frac{\{-(1)\}}{\{-(1)\}}$  (a) Purchase stamped cigarettes from any wholesale dealer of cigarettes who holds a current license;
- [-(2)] (b) Sell cigarettes from the premises for which the license was issued to any consumer in this State;
- [-(3)] (c) Purchase other tobacco products from a wholesale dealer of other tobacco products who holds a current license;
  - $\frac{\{-(4)\}}{\{-(4)\}}$  (d) Sell other tobacco products to any consumer in this State; and

- [-(5)] (e) Temporarily store and fulfill orders for cigarettes or other tobacco products at a licensed warehouse or distribution center. [or through a licensed logistics company.
- —(e)] 5. Cigarette vending machine operator authorizes the holder thereof to sell Nevada stamped cigarettes by means of coin-operated machines within the borders of this State.
- 1 2. No person who holds a current license as a:
- (a) Manufacturer may sell eigarettes within the borders of this State to any person other than a wholesale dealer of eigarettes who holds a current license or ship eigarettes to an unlicensed warehouse or distribution center or logistics company.
- —(b) Wholesale dealer of eigarettes or tobacco retail dealer may purchase eigarettes for sale within the borders of this State or sell eigarettes within the borders of this State except as authorized pursuant to subsection 1.
- (c) Wholesale dealer of other tobacco products or tobacco retail dealer may purchase other tobacco products for sale within the borders of this State or sell other tobacco products within the borders of this State except as authorized pursuant to subsection 1.]
- Sec. 28. 1. Each license issued by the Department is valid only for the calendar year for which it is issued, and must be renewed annually.
- 2. The Department shall not charge any license fees to operate a warehouse or distribution center or for a license as a manufacturer, wholesale dealer of other tobacco products, tobacco retail dealer or logistics company.
- 3. An annual license fee of \$150 must be charged for each license as a wholesale dealer of cigarettes. If such a license is issued at any time during the year other than on January 1, except for the renewal of a delinquent license pursuant to subsection 5, the licensee shall pay a proportionate part of the annual fee for the remainder of the year, but not less than 25 percent of the annual license fee.
- 4. The fees for a license as a wholesale dealer of cigarettes are due and payable on January 1 of each year. If the annual license fee is not paid by January 15, the license is cancelled automatically.
- 5. A license as a wholesale dealer of cigarettes which is cancelled for nonpayment of the annual license fee may be renewed at any time by the payment of the fee plus a 5 percent penalty thereon.
- Sec. 29. 1. Except as otherwise provided in this section, each licensed wholesale dealer of cigarettes and licensed wholesale dealer of other tobacco products shall furnish a bond executed by the wholesale dealer as principal, and by a corporation qualified under the laws of this State as surety, payable to the State of Nevada and conditioned upon the payment of all excise taxes required to be precollected by the wholesale dealer under the provisions of this chapter. Each bond must be in a principal sum equal to:
- (a) For a wholesale dealer of cigarettes, the largest amount of tax precollected by the wholesale dealer in any quarter of the preceding year; or

- (b) For a wholesale dealer of other tobacco products, the largest amount of tax paid by the wholesale dealer in any quarter of the preceding year.
- → If the information to establish that amount is not available, then in a sum required from a licensee operating under conditions deemed comparable by the Department. No bond may be for less than \$1,000. When cash is used, the amount must be rounded up to the next larger integral multiple of \$100.
- 2. Except as otherwise provided in this section, each licensed wholesale dealer of cigarettes who wishes to defer payment on the purchase of revenue stamps shall furnish a bond executed by the wholesale dealer of cigarettes as principal, and by a corporation qualified under the laws of this State as surety, payable to the State of Nevada and conditioned upon the payment of all deferred payments for revenue stamps. Each bond must be in a principal sum equal to the maximum amount of revenue stamps which the wholesale dealer of cigarettes may have unpaid at any time. No bond may be for less than \$1,000. When cash is used, the amount must be rounded up to the next larger integral multiple of \$100.
- 3. Upon application and a satisfactory showing, the Department may increase or decrease the amount of a bond required by subsection 1 or 2, based on the record of taxes remitted by the wholesale dealer of cigarettes or wholesale dealer of other tobacco products.
- 4. The Department may waive the requirement of the bond required by subsection 1 or 2, whenever a licensed wholesale dealer of cigarettes or wholesale dealer of other tobacco products has maintained a satisfactory record of payment of excise taxes or deferred payments, respectively, for a period of 5 consecutive years.
- 5. A wholesale dealer of cigarettes and a wholesale dealer of other tobacco products are not entitled to a refund of any portion of money paid as a bond pursuant to this section if the wholesale dealer of cigarettes or wholesale dealer of other tobacco products has failed to file a report required by this chapter or owes the Department any fee, payment or penalty.
- Sec. 30. 1. Except as otherwise provided in subsection 2, a licensee shall retain for not less than 5 years all receipts, invoices, records, inventory records and financial statements necessary to substantiate information submitted by the licensee to the Department in any report or return required pursuant to this chapter.
- 2. If a licensee fails to submit a return or report which is required by this chapter, the licensee shall retain for not less than 8 years all receipts, invoices, records, inventory records and financial statements necessary to substantiate any information which the licensee was required to include in the report or return which the licensee failed to submit.
- 3. Upon request, a licensee shall provide access to and permit the Department to inspect, examine, photocopy and audit all receipts, invoices, records, inventory records and financial statements retained by the licensee pursuant to subsections 1 and 2 and all records and financial statements relating to the gross income of the licensee.

- 4. Upon request, a licensee shall provide verification of his or her gross income and any other matters affecting the enforcement of the provisions of this chapter.
- 5. The Department may demand access to and inspect, examine, photocopy and audit all receipts, invoices, records, inventory records and financial statements of any affiliate of a licensee who the Department knows or reasonably believes is involved in the financing, operation or management of the licensee. The inspection, examination, photocopying or audit may take place on the premises of the affiliate or another location, as practicable.
- 6. The Executive Director or any person authorized in writing by the Executive Director may issue a subpoena to compel the attendance of witnesses at a hearing held by the Department or to compel the production of records.
- Sec. 31. This chapter does not prohibit any county, city or town in the State of Nevada from requiring licenses before a person engages in business as a wholesale dealer of cigarettes, a wholesale dealer of other tobacco products or a tobacco retail dealer.
- Sec. 32. 1. After notice to the licensee and a hearing as prescribed by the Department, the Department may suspend or revoke the license of a licensee who:
- (a) Fails to file <u>a report or certification required by this chapter</u> or files an incomplete or inaccurate report or certification required by this chapter;
- (b) Fails to pay any tax owed upon cigarettes or other tobacco products required by this chapter;
- (c) Is licensed as a wholesale dealer of cigarettes and fails to cure any shortfall for which the wholesale dealer of cigarettes is liable pursuant to NRS 370.683;
- (d) Sells in this State, purchases or possesses any cigarettes, cigarette packages or other tobacco products in violation of any provision of this chapter;
- (e) Imports into or exports from this State any cigarettes, cigarette packages or other tobacco products in violation of any provision of this chapter; or
- (f) Otherwise violates, or causes or permits to be violated, the provisions of this chapter or any regulation adopted thereunder.
- 2. Except as otherwise provided by subsection 4, the Department, upon a finding that the licensee has <u>knowingly or negligently</u> failed to comply with any provision of this chapter or any regulation adopted by the <u>{Executive Director, } Commission, may <del>[, in] : </del>}</u>
- (a) Impose on the licensee a civil penalty pursuant to NRS 370.425;
- (b) In the case of a first <del>[offense,]</del> violation of a provision of this chapter or any regulation adopted by the Commission, suspend the license of the licensee for not <del>[less]</del> more than 60 <del>[nor more than 180]</del> consecutive <del>[business]</del> calendar days <del>[.]</del> :

- (c) In the case of a second or subsequent violation of the same provision of this chapter or any regulation adopted by the Commission, suspend the license of the licensee for not more than 180 consecutive calendar days or permanently revoke the license of the licensee; or
- (d) Take any combination of the actions authorized by paragraphs (a), (b) and (c).
- 3. A person whose license has been suspended or revoked shall not purchase or sell cigarettes or other tobacco products or permit cigarettes or other tobacco products to be sold during the period of suspension or revocation for!
- <u>(a) On the premises in this State occupied {by the person}</u> or <del>{upon other premises}</del> controlled by the person <del>[.]</del> : or
- (b) From any premises located outside this State if the cigarettes or other tobacco products are purchased or sold for distribution in this State.
- <u>4.</u> The expiration, transfer, surrender, continuance, renewal or extension of a license issued pursuant to this chapter does not bar or abate any disciplinary proceedings or action.
- [4.] 5. The Department shall permanently revoke the license of any licensee who [1.] knowingly or negligently:
- (a) Sells or otherwise disposes of cigarettes or other tobacco products that are in the constructive possession of the Department; or
- (b) Is convicted of any felony relating to the manufacture, distribution or sale of cigarettes or other tobacco products.
- 6. In determining the penalty to be imposed on a licensee for a violation of paragraph (a) of subsection 1, the Department shall consider:
- (a) The documented reporting and discipline record of the licensee with the Department from the immediately preceding 24 months;
- (b) The timeliness of the licensee in correcting any inaccurate information included in a report or certification required by this chapter;
- (c) The efforts of the licensee to provide an explanation of the reason for any inaccurate information included in a report or certification required by this chapter or the basis for the omission of information from such a report or certification;
- (d) If a report or certification is inaccurate because of a variance between the inventory of cigarettes provided in the report or certification and the actual inventory of cigarettes, the quantity of the variance, the materiality of the variance and the extent to which the licensee accounts for the variance by brand or by whether tax has been paid on the cigarettes;
- (e) Any remedial measures initiated by the licensee to prevent future violations of a similar nature; and
- (f) Any other mitigating factors offered by the licensee or aggravating or mitigating factors identified by the Department.
- 7. For the purposes of this section, a report or certification required by this chapter is:

- (a) Inaccurate if the report or certification does not correctly record factual information or there is a discrepancy in the information included in the report and the factual information.
- (b) Incomplete if the report or certification does not include all necessary or responsive information.
- Sec. 33. The Department shall adopt regulations establishing a procedure for the suspension and revocation of any license issued pursuant to sections 2 to 34, inclusive, of this act. In adopting the regulations required by this section, the Department shall consider the effect of any suspension or revocation of a license on the inventory of cigarettes or other tobacco products that are in the stream of distribution at the time of suspension or revocation.
- Sec. 34. The provisions of sections 2 to 34, inclusive, of this act do not apply to:
- 1. Common carriers while engaged in interstate commerce which sell or furnish cigarettes or other tobacco products on their trains, buses or airplanes;
- 2. A person entering this State with a quantity of cigarettes or other tobacco products for household or personal use which is exempt from federal import duty; and
- 3. A duty-free sales enterprise as defined in 19 U.S.C. § 1555(b)(8)(D) that:
  - (a) Operates pursuant to the provisions of 19 U.S.C. § 1555(b); and
- (b) To the extent it sells cigarettes or other tobacco products, only sells cigarettes or other tobacco products that are duty-free merchandise as defined in 19 U.S.C.  $\S$  1555(b)(8)(E).
- Sec. 35. Each person licensed as a wholesale dealer of other tobacco products shall keep on hand at all times other tobacco products of a wholesale value of at least \$5,000.
- Sec. 36. If the Department determines that any amount, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in the records of the Department and certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must, after being credited against any amount then due from the person in accordance with NRS 360.236, be refunded to the person, or his or her successors, administrators or executors.
  - Sec. 37. 1. Except as otherwise provided in NRS 360.235 and 360.395:
- (a) No refund may be allowed unless a claim for it is filed with the Department within [1] year] 3 years after the close of the period for which the tax was due.
- (b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Department within that period, or unless the credit relates to a period for which a waiver is given pursuant to NRS 360.355.

- 2. Every claim for a credit or refund must be in writing and must state the specific grounds upon which the claim is founded.
- 3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.
- 4. Within 30 days after disallowing any claim in whole or in part, the Department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.
- Sec. 38. 1. Except as otherwise provided in this section, NRS 360.320 or any other specific statute, interest must be paid upon any overpayment of any amount of the taxes imposed by this chapter at the rate set forth in, and in accordance with the provisions of, NRS 360.2937.
- 2. If the Department determines that any overpayment has been made intentionally or by reason of carelessness, it may not allow any interest on the overpayment.
- Sec. 39. 1. No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this State or against any officer of the State to prevent or enjoin the collection under this chapter of any tax or any amount of tax required to be collected.
- 2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed.
- Sec. 40. 1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Nevada Tax Commission, the claimant may bring an action against the Department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City, the county of this State where the claimant resides or maintains his or her principal place of business or a county in which any relevant proceedings were conducted by the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.
- 2. Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.
- Sec. 41. 1. If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with a hearing officer within 45 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the hearing officer on appeal, the claimant may, pursuant to the provisions of NRS 360.245, appeal the decision to the Nevada Tax Commission. If the claimant is aggrieved by the decision of the Commission on appeal, the claimant may figure within 45 days after the decision is rendered, bring an action against the Department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment. I file a petition for judicial review pursuant to NRS 233B.130.

- 2. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited on any amount of tax due from the plaintiff pursuant to this chapter.
  - 3. The balance of the judgment must be refunded to the plaintiff.
- Sec. 42. In any judgment, interest must be allowed at the rate of 3 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days, the date to be determined by the Department.
- Sec. 43. A judgment may not be rendered in favor of the plaintiff in any action brought against the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.
- Sec. 44. 1. The Department may recover any refund or part of it which is erroneously made and any credit or part of it which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.
- 2. The action must be tried in Carson City or Clark County unless the court with the consent of the Attorney General orders a change of place of trial.
- 3. The Attorney General shall prosecute the action, and the provisions of NRS, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.
- Sec. 45. 1. If any amount in excess of \$25 has been illegally determined, either by the person filing the return or by the Department, the Department shall certify this fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.
- 2. If an amount not exceeding \$25 has been illegally determined, either by the person filing a return or by the Department, the Department, without certifying this fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.
  - Sec. 46. NRS 370.0305 is hereby amended to read as follows:
- 370.0305 "License" means a license issued pursuant to [NRS 370.001 to 370.430, inclusive,] sections 2 to 34, inclusive, of this act that authorizes the holder to conduct business as a manufacturer, [or] a wholesale dealer or a tobacco retail dealer.
  - Sec. 47. NRS 370.035 is hereby amended to read as follows:
- 370.035 "Sale" or "to sell" includes any of the following [:], except when performed by a licensed logistics company or by the operator of a licensed warehouse or distribution center:
  - 1. To exchange, barter, possess or traffic in;
  - 2. To solicit or receive an order for;
  - 3. To keep or expose for sale;
  - 4. To deliver for value;

- 5. To peddle;
- 6. To possess with intent to sell;
- 7. To transfer to anyone for sale or resale;
- 8. To possess or transport in contravention of the provisions of NRS 370.001 to 370.430, inclusive [;], and sections 2 to 34, inclusive, of this act;
- 9. To traffic in for any consideration, promised or obtained directly or indirectly; or
  - 10. To procure or allow to be procured for any reason.
  - Sec. 48. NRS 370.055 is hereby amended to read as follows:
  - 370.055 "Wholesale dealer" means:
- 1. Any person [, whether] located within [or outside of] the borders of this State [,] who:
- (a) Brings [, sends,] or causes to be brought [or sent] into this State any unstamped cigarettes purchased from the manufacturer [or another wholesale dealer; and]; or
- (b) [Stores, sells or otherwise disposes of those eigarettes within the State.] Brings or causes to be brought into this State any stamped eigarettes purchased from a licensed wholesale dealer for the purpose of resale to anyone other than a consumer.
- 2. Any person who manufactures or produces cigarettes within this State and who sells or distributes them within the State.
- 3. Any person [, whether] located [within or] outside of the borders of this State, who [acquires] sells stamped cigarettes [solely for the purpose of bona fide resale] to licensed retail dealers or other wholesale dealers in this State . [or to other persons in this State for the purpose of resale only.]
  - Sec. 49. NRS 370.073 is hereby amended to read as follows:
  - 370.073 Each manufacturer, wholesale dealer and retail dealer shall:
- 1. For the purpose of receiving any notification from the Department pursuant to this chapter, maintain with the Department:
  - (a) A permanent mailing address; and
  - (b) An electronic mail address.
- 2. Provide written notice to the Department of any change in the information specified in subsection 1 not later than 10 days after the change.
  - Sec. 50. NRS 370.090 is hereby amended to read as follows:
- 370.090 [1.] Each [applicant for a wholesale dealer's license must, and each] person licensed as a wholesale dealer <u>of cigarettes</u> shall keep on hand at all times cigarettes of a wholesale value of at least \$10,000.
- [2. The provisions of this section do not apply to any person who was a wholesale dealer on June 30, 1973.]
  - Sec. 51. NRS 370.175 is hereby amended to read as follows:
- 370.175 1. Except as otherwise provided in subsection 2 or a regulation of the Department  $\frac{1}{2}$ :
- $\overline{\phantom{a}}$  (a) No], no person, other than a wholesale dealer that receives unstamped cigarette packages directly from a person who holds a current permit to engage

in business as a manufacturer or importer of cigarettes issued pursuant to 26 U.S.C. § 5713, may possess an unstamped cigarette package.

- [(b) Any person who ships unstamped cigarette packages into this State other than to a wholesale dealer who holds a current license shall first file with the Department a notice of that shipment.]
  - 2. Subsection 1 does not apply to [any]:
- (a) Any common or contract carrier who is transporting cigarettes in compliance with the provisions of NRS 370.295  $\{\cdot,\cdot\}$ ; or
- (b) A person engaged in the manufacturing, testing, investigation or research of cigarettes or other tobacco products, if the person is operating legally and has all licenses and permits required by federal and state law.
  - Sec. 52. NRS 370.190 is hereby amended to read as follows:
- 370.190 1. The Department may sell Nevada cigarette revenue stamps to a licensed dealer. As payment for the stamps, the Department shall deduct from the excise tax collected from the dealer the actual cost incurred by the Department for the stamps and for making the sale.
- 2. Payment for the revenue stamps [or metered machine impressions] must be made at the time of purchase unless the wholesale dealer has been authorized to defer payments by the Department. A wholesale dealer may apply to the Department for authorization to defer payments for revenue stamps [or metered machine impressions] at any time.
  - 3. The Department may provide by regulation for:
- (a) Payment of the tax by manufacturers without the use of stamps on gifts or samples sent into Nevada when plainly marked "Tax Paid."
  - (b) Any requirements for the purchase of stamps.
  - Sec. 53. NRS 370.193 is hereby amended to read as follows:
- 370.193 A wholesale dealer may apply to the Department to fix the maximum amount of revenue stamps [or metered machine impressions] which the wholesale dealer may have unpaid at any time. Upon receipt of the application and the bond or bonds required pursuant to [NRS 370.155,] section 29 of this act, the Department shall fix an amount for the wholesale dealer.
  - Sec. 54. NRS 370.195 is hereby amended to read as follows:
- 370.195 1. The amount owing for revenue stamps [and metered machine impressions] for which payment was deferred in any calendar month is due on or before the 25th day of the following calendar month. Payment must be made by a remittance payable to the Department.
- 2. Upon request of the wholesale dealer for good cause shown, the Department may grant an extension of the due date of any deferred payment for a period not exceeding 5 days.
- 3. The Department may suspend without prior notice the privilege to defer payment for the purchase of revenue stamps [and metered machine impressions] or may reduce the maximum amount of revenue stamps [or metered machine impressions] which the wholesale dealer may have unpaid at any time if:

- (a) The wholesale dealer fails to pay for stamps [or impressions] at the times required by subsection 1;
- (b) The bond or bonds required pursuant to [NRS 370.155] section 29 of this act are cancelled or become void, impaired or unenforceable for any reason; or
- (c) The Department determines that any deferred payments are in jeopardy of not being paid.
  - Sec. 55. NRS 370.210 is hereby amended to read as follows:
- 370.210 1. A wholesale dealer [whose stamping facilities are] located within the borders of this State shall affix stamps to all applicable cigarette packages [received at those stamping facilities] within 20 days after receipt. A wholesale dealer may set aside, without affixing stamps, only that part of the stock of the wholesale dealer that is identified for sale or distribution outside of the borders of this State. A wholesale dealer must identify any stock to be set aside pursuant to this subsection within 20 days after the receipt of that stock.
- 2. A wholesale dealer may affix stamps only to cigarette packages that the wholesale dealer has received directly from a person who holds a current permit to engage in business as a manufacturer or importer of cigarettes issued pursuant to 26 U.S.C. § 5713.
- 3. If a wholesale dealer maintains stocks of unstamped cigarette packages as authorized pursuant to subsection 1, those unstamped cigarette packages must be stored separately from stamped cigarette packages and must not be transferred by the wholesale dealer to another facility of the wholesale dealer within the borders of this State or to any other person within the borders of this State.
- 4. A person shall not affix stamps to any cigarette packages except upon the premises described in the license of a wholesale dealer or upon other premises where authorized by regulation.
  - Sec. 56. NRS 370.220 is hereby amended to read as follows:
- 370.220 In the sale of any cigarette revenue stamps [or any metered machine settings] to a licensed cigarette dealer, the Department and its agents shall allow the purchaser a discount of 0.25 percent against the amount of excise tax otherwise due for the services rendered in affixing cigarette revenue stamps [or metered machine impressions] to the cigarette packages.
  - Sec. 57. NRS 370.240 is hereby amended to read as follows:
- 370.240 1. [Each] On or before the 25th day of each month, each wholesale dealer who is authorized to purchase [or] and affix cigarette [revenue] stamps shall report to the Department [:], with respect to the immediately preceding calendar month:
- (a) The physical inventory of [stamped eigarette] cigarettes in packages with a Nevada stamp affixed to it in the possession or control of the wholesale dealer for sale or distribution within the borders of this State on hand at the start of business on the first day of the month;

- (b) [The] If the wholesale dealer has a physical location in this State, the physical inventory of [stamped eigarette] cigarettes in packages with the stamp of another state affixed to it in the possession or control of the wholesale dealer for sale or distribution outside of the borders of this State on hand at the start of business on the first day of the month;
- (c) [The] If the wholesale dealer has a physical location in this State, the physical inventory of [unstamped cigarette] cigarettes in unstamped packages in the possession or control of the wholesale dealer for sale or distribution outside or within the borders of this State on hand at the start of business on the first day of the month;
- (d) The quantity of [stamped eigarette] cigarettes in packages with a Nevada stamp affixed to it in the possession or control of the wholesale dealer for sale or distribution within the borders of this State that were received by the wholesale dealer from another licensed wholesale dealer during the month, and the name and address of each licensed wholesale dealer from whom those products were received;
- (e) [The] If the wholesale dealer has a physical location in this State, the quantity of [stamped eigarette packages] cigarettes in the possession or control of the wholesale dealer for sale or distribution outside of the borders of this State that were received by the wholesale dealer from another person during the month, and the name and address of each person from whom those products were received;
- (f) [The] If the wholesale dealer has a physical location in this State, the quantity of [unstamped eigarette] cigarettes in unstamped packages in the possession or control of the wholesale dealer for sale or distribution within or outside of the borders of this State that were received by the wholesale dealer from a manufacturer during the month, and the name and address of each manufacturer from whom those products were received;
- (g) If the wholesale dealer does not have a physical location in this State, the quantity of cigarettes in unstamped packages in the possession or control of the wholesale dealer held with the intent for sale or distribution within the borders of this State that were received by the wholesale dealer during the month;
- (h) The quantity of <del>[cigarette]</del> cigarettes in packages with a Nevada stamp affixed to it in the possession or control of the wholesale dealer <del>[to which Nevada revenue stamps were affixed]</del> that were distributed or shipped during the month to:
- (1) Another wholesale dealer of cigarettes located within or outside of the borders of this State; or
- (2) A tobacco retail dealer located within or outside of the borders of this State,
- → and the name and address of each person to whom those products were distributed or shipped;
- $\frac{\{(h)\}}{\{(i)\}}$  (i) If the wholesale dealer has a physical location in this State, the quantity of cigarettes in packages with the stamp of another State affixed to it

and in unstamped packages in the possession or control of the wholesale dealer that were distributed or shipped outside the borders of this State during the month;

<u>(j)</u> The quantity of <u>[stamped\_eigarette]</u> <u>cigarettes in packages with a Nevada stamp affixed to it in the possession or control of the wholesale dealer that were distributed or shipped within the borders of this State to Indian tribes or instrumentalities of the Federal Government during the month, and the name and address of each person to whom those products were distributed or shipped;</u>

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- (k) If the wholesale dealer has a physical location in this State, the quantity of cigarettes in packages with a Nevada stamp affixed to it, with the stamp of any other state affixed to it and in unstamped packages that were returned to a manufacturer or another wholesale dealer during the month;
- (l) If the wholesale dealer has a physical location in this State, the physical inventory of [stamped eigarette] cigarettes in packages with the stamp of another state affixed to it in the possession or control of the wholesale dealer for sale or distribution outside of the borders of this State on hand at the close of business on the last day of the month;
- <u>f(j)</u> (m) The physical inventory of <u>Istamped cigarettel</u> cigarettes in packages with a Nevada stamp affixed to it in the possession or control of the wholesale dealer for distribution within the borders of this State on hand at the close of business on the last day of the month;

## $\frac{\{(k)\ The\}}{}$

- (n) If the wholesale dealer has a physical location in this State, the physical inventory of [unstamped eigarette] cigarettes in unstamped packages in the possession or control of the wholesale dealer for sale or distribution within or outside of the borders of this State on hand at the close of business on the last day of the month;
- <u>f(t)</u> <u>(o)</u> The quantity and roll numbers for each type of <u>Nevada</u> stamp <u>that</u> <u>is not affixed to a cigarette package</u> on hand at the start of business on the first day of the month;
- $\frac{f(m)f}{f(m)}$  The quantity and roll numbers for each type of Nevada stamp that is not affixed to a cigarette package purchased or received during the month;
- $\frac{\{(n)\}}{\{(n)\}}$  (q) The quantity and roll numbers for each type of Nevada stamp affixed during the month;
- {(o)} (r) The quantity and roll numbers for each type of Nevada stamp damaged or otherwise considered unusable during the month; and
- (s) The quantity and roll numbers for each type of <u>Nevada</u> stamp <u>that is not</u> <u>affixed to a cigarette package and is on hand at the close of business on the last day of the month . [; and</u>

[The inventory of all cigarettes in the possession or control of the dealer at the close of business on the last day of each month.

- —(p) The total value of all eigarette revenue stamps affixed by the wholesale dealer upon eigarette packages sold in or shipped into the State by the dealer wholesale during the preceding month.]
- 2. [The report must be made by the 25th day of the month following shipments upon forms to be provided by the Department.] Each report required by subsection 1 must be:
- (a) Submitted on forms provided by or in a format <del>[required]</del> <u>approved</u> by the Department; and
  - (b) Provided separately for each facility operated by the wholesale dealer.
- 3. In each report required by this section, the information required must be itemized so as to disclose clearly the brand family of cigarettes to which the report applies.
  - 4. The wholesale dealer [may]:
- <u>(a) May</u> be allowed 5 additional days to file the report, if the *wholesale* dealer makes prior written application to the Department and the Department finds good cause for extension.
- (b) Shall, upon discovery of any error in the report filed with the Department, promptly notify the Department and file an amended report that corrects the error.
- [4.] 5. If, during the preceding month, the *wholesale* dealer affixed cigarette [revenue] stamps upon cigarette packages imported into the United States, the *wholesale* dealer shall file with the report a copy of each certificate submitted pursuant to 19 U.S.C. § 1681a(c) with regard to the cigarette packages.
- 6. The Department may require a wholesale dealer to report information in addition to the reporting requirements established by this section if the Department determines that additional information will assist the Department in enforcing the provisions of this chapter.
  - Sec. 58. NRS 370.260 is hereby amended to read as follows:
- 370.260 1. All taxes and license fees imposed by the provisions of NRS 370.001 to 370.430, inclusive, *and sections 2 to 34, inclusive, of this act,* less any refunds granted as provided by law, must be paid to the Department in the form of remittances payable to the Department.
  - 2. The Department shall:
- (a) As compensation to the State for the costs of collecting the taxes and license fees, transmit each month the sum the Legislature specifies from the remittances made to it pursuant to subsection 1 during the preceding month to the State Treasurer for deposit to the credit of the Department. The deposited money must be expended by the Department in accordance with its work program.
- (b) From the remittances made to it pursuant to subsection 1 during the preceding month, less the amount transmitted pursuant to paragraph (a), transmit each month the portion of the tax which is equivalent to 85 mills per cigarette to the State Treasurer for deposit to the credit of the Account for the Tax on Cigarettes in the State General Fund.

- (c) Transmit the balance of the payments each month to the State Treasurer for deposit in the Local Government Tax Distribution Account created by NRS 360.660.
  - (d) Report to the State Controller monthly the amount of collections.
- 3. The money deposited pursuant to paragraph (c) of subsection 2 in the Local Government Tax Distribution Account is hereby appropriated to Carson City and to each of the counties in proportion to their respective populations and must be credited to the respective accounts of Carson City and each county.
  - Sec. 59. NRS 370.270 is hereby amended to read as follows:
- 370.270 1. [Every] Each retail dealer [making a sale to a customer] shall, [at the time of sale,] not later than 5 calendar days after the retail dealer takes possession of a package of cigarettes, see that [each] the package [, packet or container] has the Nevada cigarette [revenue] stamp [or metered stamping machine indicia] properly affixed.
- 2. Every cigarette vending machine operator placing cigarettes in his or her coin-operated cigarette vending machines for sale to the ultimate consumers shall at the time of placing them in the machine see that each package [, packet or container] has the Nevada cigarette [revenue] stamp [or metered stamping machine indicia] properly affixed.
- 3. No unstamped packages [, packets or containers] of cigarettes may lawfully be accepted or held in the possession of any person, except as authorized by law or regulation. For the purposes of this subsection, "held in possession" means:
  - (a) In the actual possession of the person; or
- (b) In the constructive possession of the person when cigarettes are being transported or held for the person or for his or her designee by another person. Constructive possession is deemed to occur at the location of the cigarettes being transported or held.
- 4. Any cigarettes found in the possession of any person except a person authorized by law or regulation to possess them, which do not bear findicia of all such identifying marks as are necessary to ascertain the origin of the cigarettes and numbering in a findly legible manner on the Nevada excise tax [stamping,] stamp, must be seized by the Department or any of its agents, and caused to be stamped by a licensed [cigarette] wholesale dealer, or confiscated and sold by the Department or its agents to the highest bidder among the licensed wholesale dealers in this State after due notice to all licensed Nevada wholesale dealers has been given by mail to the addresses contained in the Department's records. If there is no bidder, or in the opinion of the Department the quantity of the cigarettes is insufficient, or for any other reason such disposition would be impractical, the cigarettes must be destroyed or disposed of as the Department may see fit. The proceeds of all sales must be classed as revenues derived under the provisions of NRS 370.001 to 370.430, inclusive.
- 5. Any cigarette vending machine in which unstamped cigarettes are found may be so seized and sold to the highest bidder.

- Sec. 60. NRS 370.280 is hereby amended to read as follows:
- 370.280 1. Upon proof satisfactory to the Department, refunds shall be allowed for the face value of the cigarette revenue stamp tax paid, less any discount previously allowed, upon cigarettes that are sold to:
- (a) The United States Government for Army, Air Force, Navy or Marine Corps purposes and are shipped to a point within this State to a place which has been lawfully ceded to the United States Government for Army, Air Force, Navy or Marine Corps purposes;
- (b) Veterans' hospitals for distribution or sale to service personnel with disabilities or ex-service personnel with disabilities interned therein, but not to civilians or civilian employees;
- (c) Any person if sold and delivered on an Indian reservation or colony where an excise tax has been imposed which is equal to or greater than the rate of the cigarette tax imposed under this chapter; or
- (d) An Indian if sold and delivered on an Indian reservation or colony where no excise tax has been imposed or the excise tax is less than the rate of the cigarette tax imposed under this chapter.
- 2. Upon proof satisfactory to the Department, refunds shall be allowed to [cigarette] wholesale dealers [, or to manufacturers or their representatives,] for the face value of the cigarette revenue stamp tax paid, less any discount previously allowed upon cigarettes destroyed because the cigarettes had become stale [.] or damaged. Applications for refunds shall be submitted in an amount of not less than \$15 and shall be accompanied by an affidavit of the applicant setting forth:
- (a) The number of packages of cigarettes destroyed for which refund is claimed:
  - (b) The date or dates on which the [cigarettes were] wholesale dealer:
    - (1) Destroyed the cigarettes; or
    - (2) Sent the cigarettes to be destroyed; [and the place where destroyed;]
- (c) That the cigarettes [were actually destroyed because they] had become stale [;] or damaged; and
  - (d) [By whom the cigarettes were destroyed; and
- (e)] Other information which the Department may require.
- 3. Upon proof satisfactory to the Department, refunds may be allowed to licensed wholesale [eigarette] dealers for the face value of the cigarette [metered machine] revenue stamp tax paid, less any discount previously allowed upon:
- (a) The balance of unused stamps on the descending register of a cigarette meter machine destroyed by fire, if the cigarette meter counting positions can be determined by the manufacturer of the meter stamping machine;
- (b) Cigarettes which were stamped on their carton covers because of stamping machine failure to open the carton and stamp the cigarette packs; or
- (c) Cigarettes which were not stamped but were registered on the machine as being stamped because of failure of the meter counters.

- 4. A wholesale dealer who ceases operations in this State shall return the balance of all unused tribal stamps to the Department not later than 10 days after the wholesale dealer ceases operations in this State.
  - [4.] 5. Any refund shall be paid as other claims against the State are paid. Sec. 61. NRS 370.290 is hereby amended to read as follows:
- 370.290 1. A wholesale dealer shall not export cigarettes unless they bear revenue stamps in accordance with NRS 370.170 and 370.180 to any out-of-state destination other than by a licensed common or contract carrier.
- 2. No cigarette revenue stamp tax is required on any cigarettes exported from Nevada by a wholesale dealer to a person authorized by the state of destination to possess untaxed or unstamped cigarettes. Each wholesale dealer may set aside such portion of its stock of cigarettes as is not intended to be sold or given away in this state and it will not be necessary to affix Nevada cigarette revenue stamps . [or metered machine impressions.]
- 3. Every wholesale dealer shall, at the time of shipping or delivering any unstamped cigarettes to a point outside of this state, make a duplicate invoice and transmit such duplicate invoice to the Department, at Carson City, not later than the 15th day of the following month.
- 4. Within 30 days after any wholesale dealer ships any unstamped cigarettes to any destination outside Nevada, the dealer shall send to the state of destination a written notice of the fact of such shipment and whatever other information is required by such state.
- 5. If a wholesale dealer <u>knowingly or negligently</u> fails to comply with the requirements of this section, the Department may <del>[suspend]</del>:
- (a) Impose a civil penalty pursuant to NRS 370.425;
- <u>(b) Suspend</u> or revoke its license or permit, as provided in [subsection 2 of NRS 370.250.] section 32 of this act f; or
- (c) Take any combination of the action authorized by paragraphs (a) and (b).
  - Sec. 62. NRS 370.3715 is hereby amended to read as follows:
- 370.3715 The [Executive Director] <u>Commission</u> may adopt regulations for the enforcement of NRS 370.371 to [370.379,] 370.378, inclusive.
  - Sec. 63. NRS 370.3735 is hereby amended to read as follows:
- 370.3735 The provisions of NRS 370.371 to [370.379,] 370.378, inclusive, do not apply to a sale at wholesale made:
  - 1. As an isolated transaction and not in the usual course of business;
- 2. When cigarettes are advertised, offered for sale or sold in a bona fide clearance sale for the purpose of discontinuing trade in the cigarettes, and the advertisement, offer to sell or sale states the reason therefor and the quantity of cigarettes advertised, offered for sale or to be sold;
- 3. When cigarettes are advertised, offered for sale or sold as imperfect or damaged and the advertising, offer to sell or sale states the reason therefor and the quantity of cigarettes advertised, offered for sale or to be sold;
  - 4. When cigarettes are sold upon the final liquidation of a business; or

- 5. When cigarettes are advertised, offered for sale or sold by a fiduciary or other officer acting under the order or direction of a court.
  - Sec. 64. NRS 370.376 is hereby amended to read as follows:
- 370.376 A contract made by a person in violation of any of the provisions of NRS 370.371 to [370.379,] 370.378, inclusive, is void and no recovery thereon may be made.
  - Sec. 65. NRS 370.378 is hereby amended to read as follows:
- 370.378 1. An action may be maintained in any court of competent jurisdiction to prevent, restrain or enjoin a violation or threatened violation of any provision of NRS 370.371 to [370.379,] 370.378, inclusive. An action may be instituted by any person injured by a violation or threatened violation of NRS 370.371 to [370.379,] 370.378, inclusive, or by the Attorney General upon the request of the Executive Director. If in such an action, a violation or threatened violation is established, the court shall enjoin and restrain, or otherwise prohibit the violation or threatened violation. In such an action it is not necessary that actual damages to the plaintiff be alleged or proved, but where alleged and proved, the plaintiff, in addition to injunctive relief and costs of the suit, including reasonable attorney's fees, may recover from the defendant the actual damages sustained by the plaintiff.
- 2. If no injunctive relief is sought or required, any person injured by a violation of the provisions of NRS 370.371 to [370.379,] 370.378, inclusive, may maintain an action for damages and costs, including attorney's fees, in any court of competent jurisdiction.
  - Sec. 66. NRS 370.380 is hereby amended to read as follows:
- 370.380 1. It is unlawful for a person, with the intent to defraud the State:
- (a) To alter, forge or counterfeit any license [,] or stamp [or cigarette tax meter impression] provided for in this chapter;
- (b) To have in his or her possession any forged, counterfeited, spurious or altered license [,] or stamp [or cigarette tax meter impression,] with the intent to use the same, knowing or having reasonable grounds to believe the same to be such;
- (c) To have in his or her possession one or more cigarette stamps <del>[or eigarette tax meter impressions]</del> which he or she knows have been removed from the pieces of packages or packages of cigarettes to which they were affixed;
- (d) To affix to any piece of a package or package of cigarettes a stamp <del>[or cigarette tax meter impression]</del> which he or she knows has been removed from any other piece of a package or package of cigarettes; or
- (e) To have in his or her possession for the purpose of sale cigarettes which do not bear indicia of the State of Nevada excise tax stamping. Presence of the cigarettes in a cigarette vending machine is prima facie evidence of the purpose to sell.
- 2. A person who violates any of the provisions of subsection 1 is guilty of a category C felony and shall be punished as provided in NRS 193.130.

- Sec. 67. NRS 370.382 is hereby amended to read as follows:
- 370.382 1. It is unlawful for a person, with the intent to defraud the State:
- (a) To fail to keep or make any record, return, report or inventory, or keep or make any false or fraudulent record, return, report or inventory, required pursuant to NRS [370.080] 370.090 to 370.327, inclusive, or sections 2 to 34, inclusive, of this act, or any regulations adopted for the administration or enforcement of those provisions;
- (b) To refuse to pay any tax imposed pursuant to NRS [370.080] 370.090 to 370.327, inclusive, or attempt in any manner to evade or defeat the tax or the payment thereof;
  - (c) To alter, forge or otherwise counterfeit any stamp;
  - (d) To sell or possess for the purpose of sale any counterfeit stamp;
- (e) To have in his or her possession any counterfeit stamp, with the intent to use the counterfeit stamp, knowing or having reasonable grounds to believe the stamp to be a counterfeit stamp;
- (f) To have in his or her possession any stamp which he or she knows has been removed from any cigarette package to which it was affixed;
- (g) To affix to any cigarette package a stamp which he or she knows has been removed from any other cigarette package; or
- (h) To fail to comply with any requirement of NRS [370.080] 370.090 to 370.327, inclusive [-1], or sections 2 to 34, inclusive, of this act.
- 2. A person who violates any of the provisions of subsection 1 is guilty of a category C felony and shall be punished as provided in NRS 193.130.
  - Sec. 68. NRS 370.385 is hereby amended to read as follows:
- 370.385 1. A wholesale [or retail] dealer shall not affix a Nevada cigarette revenue stamp [or a metered machine impression] upon , and a wholesale dealer or a retail dealer shall not knowingly or negligently accept or possess, a package, carton, packet or other container of cigarettes which:
- (a) Does not meet the requirements of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331 et seq., for the placement of labels, warnings or any other information required by that Act to be placed upon a container of cigarettes sold within the United States;
- (b) Is labeled as "for export only," "U.S. tax exempt," "for use outside the U.S." or with similar wording indicating that the manufacturer did not intend for the product to be sold in the United States [;] unless the wholesale dealer or retail dealer is legally authorized to possess tax-exempt cigarettes for the purposes of export;
- (c) Has been altered by the unauthorized addition or removal of wording, labels or warnings described in paragraph (a) or (b);
- (d) Has been exported from the United States after January 1, 2000, and imported into the United States in violation of 26 U.S.C. § 5754;
- (e) Has been imported into the United States in violation of 19 U.S.C. § 1681a;

- (f) Was manufactured, packaged or imported by a person who has not complied with 15 U.S.C. § 1335a with regard to the cigarettes;
  - (g) Violates a federal trademark or copyright law; or
- (h) Violates any other federal statute or regulation or with respect to which any federal statute or regulation has been violated.
  - 2. A [wholesale or retail dealer] person shall not:
- (a) Affix Nevada cigarette revenue stamps <del>[or metered machine impressions]</del> on;
  - (b) Sell or distribute in this state; or
- (c) Possess in this state with the intent to sell or distribute in this state,
- igarettes manufactured for export outside the United States.
- 3. The Department may impose a penalty on a wholesale or retail dealer who violates subsection 1 or 2 as follows:
  - (a) For the first violation, a penalty of \$5,000.
  - (b) For each subsequent violation, a penalty of \$10,000.
- 4. Notwithstanding any other provision of law, the Department shall seize and destroy cigarettes upon which a revenue stamp [or metered machine impression] was placed in violation of subsection 1 or 2.
- 5. As used in this section, "cigarettes manufactured for export outside the United States" means cigarettes contained in a package or carton which indicates that the cigarettes are tax exempt and for use outside the United States.
  - Sec. 69. NRS 370.390 is hereby amended to read as follows:
- 370.390 Except as otherwise provided in NRS 370.380 and 370.382, any person violating any of the provisions of NRS [370.080] 370.090 to 370.315, inclusive, *or sections 2 to 34, inclusive, of this act* is guilty of a gross misdemeanor.
  - Sec. 70. NRS 370.415 is hereby amended to read as follows:
- 370.415 1. The Department, its agents, sheriffs within their respective counties and all other peace officers of the State of Nevada shall seize any counterfeit stamps, contraband tobacco products, machinery used to manufacture contraband tobacco products and cigarette rolling machines being used in violation of any provision of this chapter that are found or located in the State of Nevada.
- 2. A sheriff or other peace officer who seizes stamps, contraband tobacco products, machinery or cigarette rolling machines pursuant to this section shall provide written notification of the seizure to the Department not later than 5 working days after the seizure. The notification must include the reason for the seizure.
- 3. After consultation with the Department, the sheriff or other peace officer shall transmit the contraband tobacco products to the Department if:
  - (a) The contraband tobacco products consist of cigarettes and:
- (1) Except for revenue stamps [or metered machine impressions] being properly affixed as required by this chapter, the cigarettes comply with all state and federal statutes and regulations; and

- (2) The Department approves the transmission of the cigarettes; or
- (b) The contraband tobacco products consist of any other tobacco products and the Department approves the transmission of the other tobacco products.
  - 4. Upon the receipt of any:
- (a) Cigarettes pursuant to subsection 3, the Department shall dispose of the cigarettes as provided in subsection 4 of NRS 370.270; or
  - (b) Other tobacco products pursuant to subsection 3, the Department shall:
- (1) Sell the other tobacco products to the highest bidder among the licensed wholesale dealers in this State after due notice to all licensed Nevada wholesale dealers has been given by mail to the addresses contained in the Department's records; or
- (2) If there is no bidder, or in the opinion of the Department the quantity of the other tobacco products is insufficient, or for any other reason such disposition would be impractical, destroy or dispose of the other tobacco products as the Department may see fit.
- The proceeds of all sales pursuant to this paragraph must be classed as revenues derived under the provisions of NRS 370.440 to 370.503, inclusive.
- 5. The sheriff or other peace officer who seizes any stamps, contraband tobacco products, machinery or cigarette rolling machines pursuant to this section shall:
  - (a) Destroy the stamps, machinery and cigarette rolling machines; and
- (b) If he or she does not transmit the contraband tobacco products to the Department, destroy the contraband tobacco products.
  - Sec. 71. NRS 370.419 is hereby amended to read as follows:
- 370.419 All fixtures, equipment and other materials and personal property on the premises of any wholesale or retail dealer who, with intent to defraud the State:
- 1. Fails to keep or make any record, return, report or inventory required pursuant to NRS [370.080] 370.090 to 370.327, inclusive [;], or sections 2 to 34, inclusive, of this act;
- 2. Keeps or makes any false or fraudulent record, return, report or inventory required pursuant to NRS [370.080] 370.090 to 370.327, inclusive [1], or sections 2 to 34, inclusive, of this act;
- 3. Refuses to pay any tax imposed pursuant to NRS [370.080] 370.090 to 370.327, inclusive; or
- 4. Attempts in any manner to evade or defeat the requirements of NRS [370.080] 370.090 to 370.327, inclusive, or sections 2 to 34, inclusive, of this act,
- → is subject to forfeiture pursuant to NRS 179.1156 to 179.1205, inclusive.
- Sec. 72. NRS 370.425 is hereby amended to read as follows:
- 370.425 In addition to any other penalty authorized by law:
- 1. The Department may [:
- (a) Impose a civil penalty of \$1,000 on any person who knowingly:
- (1) Omits, neglects or refuses to:

- (I) Comply with any duty imposed upon him or her pursuant to the provisions of NRS 370.080 to 370.315, inclusive; or
- (II) Do or cause to be done any of the things required pursuant to those provisions; or
- (2) Does anything prohibited by the provisions of NRS 370.080 to 370.315, inclusive.
- (b) Impose impose on each person who violates any of the provisions of [NRS 370.321, 370.323 or 370.327] this chapter a civil penalty of:
- $\{(1)\}\$  (a) Not more than \$1,000 for the first violation  $\{\cdot,\cdot\}$  of a provision; and
- $\frac{(2)}{(b)}$  Not  $\frac{\text{[less than $1,000 nor]}}{\text{[constant]}}$  more than \$5,000 for each subsequent violation  $\frac{\text{[constant]}}{\text{[constant]}}$  of the same provision.
- 2. Each violation of any provision of this chapter is considered a separate violation.
- 3. Any person who fails to pay any tax imposed pursuant to the provisions of NRS [370.080] 370.090 to 370.327, inclusive, or 370.440 to 370.503, inclusive, within the time prescribed by law or regulation shall [pay] . in addition to the tax due:
- (a) For a first such failure, pay a penalty of [500] 10 percent of the tax due but unpaid, in addition to the tax. In addition to the penalty, the Department may suspend or revoke the license of the licensee who failed to pay the tax.
- (b) For a second such failure in a 24-month period, pay a penalty of 25 percent of the amount of tax due but unpaid. In addition to the penalty, the Department may suspend or revoke the license of the licensee who failed to pay the tax.
- (c) For a third and each subsequent such failure in a 24-month period, pay a penalty of 25 percent of the amount of tax due but unpaid. In addition to the penalty, the Department shall suspend or revoke the license of the licensee who failed to pay the tax.
  - Sec. 73. NRS 370.440 is hereby amended to read as follows:
- 370.440 As used in NRS 370.440 to 370.503, inclusive, *and section 35 of this act*, unless the context otherwise requires:
- 1. "Alternative nicotine product" has the meaning ascribed to it in NRS 370.003.
- 2. "Other tobacco product" has the meaning ascribed to it in NRS 370.0318.
- 3. "Retail dealer" means any person who is engaged in selling other tobacco products [...] to ultimate consumers.
- 4. "Sale" means any transfer, exchange, barter, gift, offer for sale, or distribution for consideration of other tobacco products.
- 5. "Ultimate consumer" means a person who purchases one or more other tobacco products for his or her household or personal use and not for resale.
- 6. "Wholesale [dealer"] <u>dealer of other tobacco products"</u> means any person who:

- (a) [Brings or eauses to be brought into] Maintains a place of business in this State , <u>purchases</u> other tobacco products [purchased] from the manufacturer or a wholesale dealer and [who stores,] possesses, receives, sells or otherwise disposes of such other tobacco products <u>to wholesale dealers or retail dealers</u> within this State;
- (b) <u>Does not maintain a place of business in this State and sells or otherwise disposes of other tobacco products by any means, including, without limitation, through an Internet website, to wholesale dealers, retail dealers or ultimate consumers within this State;</u>
- <u>(c)</u> Manufactures <u>, [or]</u> produces <u>, fabricates, assembles, processes, labels or finishes</u> other tobacco products within this State <u>. [and who sells or distributes such other tobacco products within this State to other wholesale dealers, retail dealers or ultimate consumers; or</u>
- —(e) Purchases other tobacco products solely for the purpose of bona fide resale to retail dealers or to other persons for the purpose of resale only.]
  - 7. "Wholesale price" means:
- (a) Except as otherwise provided in paragraph (b), the [established] price for which other tobacco products are sold to a wholesale dealer [before] of other tobacco products, valued in money, whether paid in money or otherwise, without any discount or other reduction [is made.] on account of any of the following:
- (1) Trade discounts, cash discounts, special discounts or deals, cash rebates or any other reduction from the regular sales price;
- (2) The cost of materials used, labor or service cost, interest charged, losses or any other expenses;
- (3) The cost of transportation of the other tobacco products before its purchase by the wholesale dealer of other tobacco products;
- (4) Any services that are a part of the sale, including, without limitation, shipping, freight, warehousing, customer service, advertising or any other service related to the sale; or
- (5) The amount of any tax, not including any excise tax, imposed by the United States upon or with respect to the other tobacco product;
- (b) For other tobacco products sold to a retail dealer or an ultimate consumer by a wholesale dealer <u>of other tobacco products</u> described in paragraph <u>{(b)}</u> <u>(c)</u> of subsection 6, the established price for which the other tobacco product is sold to the retail dealer or ultimate consumer before any discount or other reduction is made.
  - Sec. 73.3. NRS 370.450 is hereby amended to read as follows:
- 370.450 1. Except as otherwise provided in [subsection 2,] this section, there is hereby imposed upon the [purchase or possession] receipt, purchase or sale of other tobacco products [by a customer] in this State a tax of 30 percent of the wholesale price of those products.
- 2. The provisions of subsection 1 do not apply to those products which are:
  - (a) [Shipped out of the State for sale and use outside the State;

— (b)] Displayed or exhibited at a trade show, convention or other exhibition in this State by a manufacturer or wholesale dealer <u>of other tobacco products</u> who is not licensed in this State; or

### [(c) Acquired]

- <u>(b) Distributed</u> free of charge at a trade show, convention or other exhibition or public event in this State, [and which do not have significant value as determined by the Department by regulation.] if the distributor has obtained a license to distribute other tobacco products free of charge for the trade show, convention or other exhibition or public event.
  - 3. This tax [must be collected and]:
- (a) Is imposed:
- (1) At the time the other tobacco products are first possessed or received by a wholesale dealer of other tobacco products who maintains a place of business in this State for sale or disposition in this State;
- (2) At the time the other tobacco products are sold by a wholesale dealer of other tobacco products who does not maintain a place of business in this State to a retail dealer or ultimate consumer; or
- (3) For other tobacco products manufactured, produced, fabricated, assembled, processed, labeled or finished in this State, at the time the other tobacco products are sold in this State to a wholesale dealer of other tobacco products, retail dealer or ultimate consumer.
- (b) Must be paid by the wholesale dealer of other tobacco products to the Department, in accordance with the provisions of NRS 370.465. [, after the sale or distribution of the other tobacco products by the wholesale dealer.] The wholesale dealer of other tobacco products is entitled to retain 0.25 percent of the taxes [collected] due to cover the costs of collecting and administering the taxes if the taxes are paid in accordance with the provisions of NRS 370.465.
- 4. Any wholesale dealer <u>of other tobacco products</u> who sells or distributes other tobacco products without paying the tax provided for by this section is guilty of a misdemeanor.
  - Sec. 73.7. NRS 370.465 is hereby amended to read as follows:
- 370.465 1. A wholesale dealer <u>of other tobacco products</u> shall, not later than 20 days after the end of each month, submit to the Department a report on a form prescribed by the Department setting forth [each sale of] <u>such information as the Department may prescribe concerning</u> other tobacco products [that the wholesale dealer made] <u>on which the tax provided by NRS 370.450 was imposed</u> during the previous month.
- 2. Each report submitted pursuant to this section on or after August 20, 2001, must be accompanied by the tax owed pursuant to NRS 370.450 for other tobacco products that were sold by the wholesale dealer *of other tobacco products* during the previous month.
- [3. The Department may impose a penalty on a wholesale dealer who violates any of the provisions of this section as follows:
- (a) For the first violation within 7 years, a fine of \$1,000.
- (b) For a second violation within 7 years, a fine of \$5,000.

## — (c) For a third or subsequent violation within 7 years, revocation of the license of the wholesale dealer.]

- Sec. 74. NRS 370.470 is hereby amended to read as follows:
- 370.470 1. A wholesale dealer <u>of other tobacco products</u> must obtain from each manufacturer or wholesale dealer <del>[who is not licensed in this State]</del> <u>of other tobacco products</u> from whom the wholesale dealer <u>of other tobacco products</u> purchases other tobacco products itemized invoices of all other tobacco products purchased from <del>[and]</del> or delivered by the manufacturer or wholesale dealer <u>of other tobacco products</u>. <del>[who is not licensed in this State.]</del> The wholesale dealer <u>of other tobacco products</u> must obtain from the manufacturer or wholesale dealer <del>[who is not licensed in this State.]</del> <u>of other tobacco products</u> separate invoices for each purchase made.
- 2. A retail dealer must obtain from each wholesale dealer <u>of other tobaccoproducts</u> itemized invoices of all other tobaccoproducts purchased from the wholesale dealer  $\frac{1}{1+1}$  of other tobaccoproducts. The retail dealer must obtain separate invoices for each purchase made.
  - 3. The [invoice] invoices required by subsections 1 and 2 must include:
- [1.] (a) The name and address of the manufacturer or wholesale dealer <u>of</u> <u>other tobacco products</u> who <u>fis not licensed in this State</u>;
- -2.] sold the other tobacco products;
  - (b) The name and address of the wholesale dealer  $\frac{1}{12}$
- $\overline{\phantom{a}}$  of other tobacco products or retail dealer who purchased the other tobacco products;
  - (c) The date of the purchase; [and
- -4.1 (d) The invoice number;
  - (e) The method of delivery; and
- (f) The itemized quantity [and wholesale price] of [the] each brand, type, size and price of other tobacco products [.] purchased.
  - Sec. 74.3. NRS 370.480 is hereby amended to read as follows:
- 370.480 1. Every wholesale dealer <u>of other tobacco products</u> must keep at its place of business complete and accurate records for that place of business, including copies of all invoices of other tobacco products which the wholesale dealer <u>of other tobacco products</u> holds, purchases and delivers, distributes or sells in this State. All records must be preserved for at least 5 years after the date of purchase or after the date of the last entry made on the record.
- 2. Every retail dealer shall keep at its place of business complete and accurate records for that place of business, including copies of all itemized invoices or purchases of other tobacco products purchased and delivered from wholesale dealers [+] of other tobacco products. The invoices must show the name and address of the wholesale dealer of other tobacco products and the date of the purchase. All records must be preserved for at least 5 years after the date of the purchase.
  - Sec. 74.7. NRS 370.490 is hereby amended to read as follows:
- 370.490 1. The Department shall allow a credit of 30 percent of the wholesale price, less a discount of 0.25 percent for the services rendered in

collecting the tax, for other tobacco products on which the tax has been paid pursuant to NRS 370.450 and that may no longer be sold. If the other tobacco products have been purchased and delivered, a credit memo of the manufacturer is required for proof of returned merchandise.

- 2. A credit must also be granted for any other tobacco products shipped from this State and destined for retail sale and consumption outside the State on which the tax has previously been paid. A duplicate or copy of the invoice is required for proof of the sale outside the State.
- 3. A wholesale dealer <u>of other tobacco products</u> may claim a credit by filing with the Department the proof required by this section. The claim must be made on a form prescribed by the Department.
  - Sec. 75. NRS 370.525 is hereby amended to read as follows:
- 370.525 1. Except as otherwise provided in subsection 2, a person may institute a civil action in a court of competent jurisdiction for appropriate injunctive relief if the person:
  - (a) Sells, distributes or manufactures cigarettes; and
- (b) Sustains direct economic or commercial injury as a result of a violation of NRS [370.080] 370.090 to 370.327, inclusive, 370.380, 370.382, 370.385, 370.395, 370.405 or 370.410 [...] or sections 2 to 34, inclusive, of this act.
- 2. Nothing in this section authorizes an action against this State, a political subdivision of this State, or an officer, employee or agency thereof.
  - Sec. 76. NRS 370.677 is hereby amended to read as follows:
- 370.677 1. The Department shall notify each wholesale dealer and retail dealer when [a manufacturer or brand family is added] any changes are made to [or removed from] the directory pursuant to NRS 370.675, including, without limitation, when a manufacturer, brand family or style of cigarettes is added to or removed from the directory, by sending a notice to the [mailing address or] electronic mail address of the wholesale dealer or retail dealer provided to the Department pursuant to NRS 370.073.
- 2. [A wholesale dealer shall, not later than 7 days after receiving a notice pursuant to subsection 1, provide:
- (a) A copy of the notice to each retail dealer that is a customer of the wholesale dealer; and
- (b) The Department with a list of each retail dealer to which a copy of the notice is provided pursuant to paragraph (a).
- -3.] A retail dealer may, not later than 60 days after receiving [a copy of] a notice pursuant to subsection [2] I that a manufacturer, [or] brand family or style of cigarettes has been removed from the directory pursuant to NRS 370.675, sell any cigarettes in its possession from the manufacturer, [or of the] brand family [.] or style. The retail dealer shall, at the expiration of the 60-day period, turn over possession of any unsold cigarettes to the Department for disposal in the manner provided in subsection 4 of NRS 370.270.
- [4.] 3. A wholesale dealer shall not purchase cigarettes for resale from a manufacturer, or of a *style or* brand family, which has been removed from the directory by the Department, or for which the wholesale dealer receives a

notice of removal from the Department, until the manufacturer, *style* or brand family is reentered in the directory by the Department.

- 4. A wholesale dealer that receives a notice pursuant to subsection 1 that a manufacturer, brand family or style of cigarettes has been removed from the directory pursuant to NRS 370.675 shall, not later than 20 days after receiving the notice, identify and set aside any cigarettes of that manufacturer or of that brand family or style of cigarettes for sale or distribution outside of the borders of this State pursuant to NRS 370.210 and keep a record of the destination state for that product, or return any cigarettes of that manufacturer or of that brand family or style to the manufacturer or wholesale dealer.
  - Sec. 77. NRS 370.684 is hereby amended to read as follows:
  - 370.684 1. An importer is jointly and severally liable for:
- (a) The escrow deposit due pursuant to NRS 370A.140 for each cigarette which is intended for sale in this State which the importer causes to be sent to a person who holds a license as a wholesale dealer [or license as a retail dealer] issued by the Department; and
  - (b) The reports required by subsection 1 of NRS 370.327.
- 2. A nonparticipating manufacturer located outside the United States that conducts business in this State shall provide to the Attorney General on a form prescribed by the Attorney General a declaration from each importer that imports the cigarettes of the nonparticipating manufacturer which are intended for sale in this State stating that the importer accepts liability pursuant to subsection 1 and consents to the jurisdiction of the courts of this State for the purposes of enforcing this section.
- 3. As used in this section, "importer" has the meaning ascribed to it in NRS 370.0295.
  - Sec. 78. NRS 370.685 is hereby amended to read as follows:
- 370.685 1. Not later than [20 calendar days after] the [end] 25th day of each calendar [quarter,] month, and more frequently if so directed by the Department, each distributor shall submit such information as the Department requires to facilitate compliance with the provisions of this chapter and chapter 370A of NRS, including, without limitation, a list by brand family of the total number of cigarettes or, in the case of "roll-your-own" tobacco, the equivalent unit count, for which the distributor affixed stamps during the previous calendar [quarter] month or otherwise paid the tax due for those cigarettes. The distributor shall maintain for at least 5 years, and make available to the Department, all invoices and documentation of sales of all cigarettes of nonparticipating manufacturers and any other information relied upon in reporting to the Department.
- 2. The Department may disclose to the Attorney General any information received pursuant to this chapter or chapter 370A of NRS and requested by the Attorney General for purposes of determining compliance with and enforcing the provisions of this chapter and chapter 370A of NRS. The Department and Attorney General shall share with each other the information received pursuant to the provisions of this chapter and chapter 370A of NRS and may share such

information with other federal, state or local agencies only for purposes of enforcement of those provisions or the corresponding laws of other states.

- 3. The Department or the Attorney General may require at any time from a nonparticipating manufacturer proof, from the financial institution in which that manufacturer has established a qualified escrow fund for the purpose of compliance with chapter 370A of NRS, of the amount of money in that fund, exclusive of interest, the amount and date of each deposit to that fund, and the amount and date of each withdrawal from that fund.
- 4. In addition to the information otherwise required to be submitted pursuant to this chapter and chapter 370A of NRS, the Department or the Attorney General may, at any time, require a distributor or manufacturer of tobacco products to submit any additional information or documentation as is necessary to determine whether a manufacturer of tobacco products is or will continue to be in compliance with the provisions of this chapter and chapter 370A of NRS.
  - Sec. 79. NRS 370.698 is hereby amended to read as follows:
- 370.698 1. The license of a wholesale dealer may be suspended or revoked if a similar license of the wholesale dealer is suspended or revoked in any other state based on an act or omission that would, if the act or omission had occurred in this State, be grounds for the suspension or revocation of the license of the wholesale dealer pursuant to [NRS 370.379,] section 32 of this act, unless the wholesale dealer demonstrates that the suspension or revocation of its license in the other state was effected without due process. A wholesale dealer whose license is suspended or revoked in this State pursuant to this subsection is eligible for reinstatement upon the earlier of the date on which the violation in the other state is cured or the date on which the license of the wholesale dealer is reinstated in the other state.
- 2. A nonparticipating manufacturer and its brand families may be denied listing in the directory or removed from the directory for any of the following reasons:
- (a) The nonparticipating manufacturer is removed from the directory of another state based on an act or omission that would, if the act or omission had occurred in this State, be grounds for the removal of the nonparticipating manufacturer from the directory of this State pursuant to NRS 370.675, unless the nonparticipating manufacturer demonstrates that its removal from the directory of the other state was effected without due process. A nonparticipating manufacturer that is removed from the directory of this State pursuant to this paragraph is eligible for reinstatement to the directory upon the earlier of the date on which the violation in the other state is cured or the date on which the nonparticipating manufacturer is reinstated to the directory of the other state.
- (b) The nonparticipating manufacturer is convicted of any crime relating to the manufacture, sale or distribution of tobacco products in this State or another state.

- (c) The nonparticipating manufacturer fails to report the existence or result, including any conviction, of any investigation of the nonparticipating manufacturer which is known to the nonparticipating manufacturer regarding the commission of any crime relating to the manufacture, sale or distribution of tobacco products in this State or another state.
- (d) The nonparticipating manufacturer fails to report any investigation of the nonparticipating manufacturer which is known to the nonparticipating manufacturer regarding any violation of the laws of any other state based on an act or omission that would, if the act or omission had occurred in this State, be grounds for the removal of the nonparticipating manufacturer from the directory of this State pursuant to NRS 370.675.
- (e) The nonparticipating manufacturer knowingly makes a false, material statement in any report, filing or other communication provided to this State pursuant to this chapter or chapter 370A of NRS.
- (f) The nonparticipating manufacturer has a shortfall or fails to make an escrow deposit that is due in another state or territory of the United States, has been given reasonable notice of the shortfall or failure and has failed to cure the shortfall or make the deposit within 30 days after receiving notice of the shortfall or failure.
- (g) In any calendar year the total nationwide sales of cigarettes on which federal excise tax is paid by the nonparticipating manufacturer exceeds by more than 5 percent the amount of such sales reported in:
- (1) Any nationwide report made by the nonparticipating manufacturer or any importer pursuant to 15 U.S.C. §§ 375 et seq.;
  - (2) Any interstate report required by law; or
  - (3) Any intrastate report required by law,
- → unless the nonparticipating manufacturer cures the discrepancy or provides a satisfactory explanation of the discrepancy within 30 days after receiving notice of the discrepancy.
  - 3. The provisions of NRS 233B.121 to 233B.150, inclusive, apply to:
- (a) The suspension or revocation of the license of a wholesale dealer pursuant to subsection 1; and
- (b) The removal of a nonparticipating manufacturer and its brand families from the directory pursuant to subsection 2.
  - Sec. 80. NRS 100.065 is hereby amended to read as follows:
- 100.065 1. [In] Except as otherwise provided in subsection 4, in lieu of any cash payment or surety bond required as protection for the State of Nevada, the person required to provide the cash payment or surety bond may deposit with the State Treasurer, unless a different custodian is named by specific statute:
- (a) Bonds of the United States or of the State of Nevada of an actual market value of not less than the amount of the required cash payment or surety bond;
- (b) A letter of credit from a bank, savings bank, credit union or savings and loan association situated in Nevada, which meets the requirements set for that purpose by the State Treasurer; or

- (c) A savings certificate, certificate of deposit or investment certificate of a bank, savings bank, credit union or savings and loan association situated in Nevada, which must indicate an account of an amount not less than the amount of the required cash payment or surety bond and, except as otherwise provided by specific statute, that the amount is not available for withdrawal except by direct order of the State Treasurer.
- 2. Whenever a savings certificate, certificate of deposit or investment certificate is deposited as provided in this section, interest earned on the certificate accrues to the account of the depositor.
- 3. If a surety bond is provided as protection for the State of Nevada, the bond must be issued by an insurer who is authorized or otherwise allowed under title 57 of NRS to issue such a bond pursuant to title 57 of NRS.
- 4. The Department of Taxation shall not accept bonds, savings certificates, certificates of deposit or investment certificates in lieu of the surety bond required to be deposited with the Department pursuant to section 29 of this act.
  - Sec. 81. NRS 477.206 is hereby amended to read as follows:
- 477.206 The Department of Taxation, in the regular course of conducting inspections of wholesale dealers, retail dealers and agents pursuant to NRS 370.001 to 370.530, inclusive, *and sections 2 to 34, inclusive, of this act* may inspect any packages of cigarettes to determine if they have been marked in accordance with NRS 477.198. If the packages of cigarettes are not marked as required, the Executive Director of the Department of Taxation shall notify the State Fire Marshal and may seize the packages of cigarettes pursuant to subsection 5 of NRS 477.202.
- Sec. 82. 1. [A] Except as otherwise provided in this subsection, a person operating in this State as a logistics company before the effective date of this [act] section must, if [he or she] the person wishes to continue operating as a logistics company [t] in this State, obtain a license as a logistics company issued by the Department of Taxation pursuant to section 19 of this act within 180 days after the effective date of this [act. The] section. If a person operating in this State as a logistics company before the effective date of this section submits to the Department an application for a license as a logistics company pursuant to section 19 of this act within 180 days after the effective date of this section and is not issued a license as a logistics company pursuant to section 19 of this act within 180 days after the effective date of this section, the person may continue to operate as a logistics company until [he or she] the person has been notified by the Department of a denial of his or her application . [or until 180 days after the effective date of this act, whichever is earlier.]
- 2. [A] Except as otherwise provided in this subsection, a person operating a warehouse or distribution center in this State before the effective date of this [act] section must, if [he or she] the person wishes to continue operating a warehouse or distribution center [.] in this State, obtain a license to operate a warehouse or distribution center issued by the Department of Taxation pursuant to section 19 of this act within 180 days after the effective date of this

[act. The] section. If a person operating as a warehouse or distribution center in this State before the effective date of this section submits to the Department an application for a license as a warehouse or distribution center pursuant to section 19 of this act within 180 days after the effective date of this section and is not issued a license as a warehouse or distribution center pursuant to section 19 of this act within 180 days after the effective date of this section, the person may continue to operate a warehouse or distribution center until the or sheld the person has been notified by the Department of a denial of his or her application \_for until 180 days after the effective date of this act, whichever is earlier.]

- 3. As used in this section:
- (a) "Logistics company" has the meaning ascribed to it in section 9 of this act.
- (b) "Warehouse or distribution center" has the meaning ascribed to it in section 16 of this act.
- Sec. 82.5. NRS 370.450, as amended by section 73.3 of this act, applies to other tobacco products purchased, received or sold in this State before January 1, 2020, if the tax imposed by NRS 370.450, as that section existed before January 1, 2020, has not been paid before January 1, 2020. A wholesale dealer shall include other tobacco products described in this section in the report filed by the wholesale dealer with the Department of Taxation pursuant to NRS 370.465, as amended by section 73.7 of this act, for the January 2020 reporting period and remit the tax required to be paid by this section with that report.
- Sec. 83. 1. NRS 370.080, 370.085, 370.095, 370.100, 370.110, 370.120, 370.130, 370.140, 370.150, 370.160, 370.235, 370.250, 370.253, 370.379 and 370.445 are hereby repealed.
  - 2. NRS 370.155 is hereby repealed.
- Sec. 84. 1. This section and sections 1 to 28, inclusive, 30 to <u>73, inclusive, 74 to 82, inclusive, and subsection 1 of section 83 of this act become effective upon passage and approval.</u>
- 2. Section 29 and subsection 2 of section 83 of this act become effective 180 days after passage and approval of this act.
- 3. Sections 73.3, 73.7 and 82.5 of this act become effective:
- (a) Upon passage and approval for the purpose of adopting regulations and performing other preparatory administrative tasks necessary to carry out the provisions of this act; and
  - (b) On January 1, 2020, for all other purposes.

#### LEADLINES OF REPEALED SECTIONS

- 370.080 Required licensing of wholesale dealers, retail dealers, cigarette vending machine operators and manufacturers.
- 370.085 Maintenance and distribution of list of licenses and licensees and of Indian tribes from which Department does not collect tax.
  - 370.095 Restrictions on issuance, maintenance and renewal of licenses.
  - 370.100 Application for license.

- 370.110 Issuance of wholesale dealer's license to certain applicants without payment of fees.
  - 370.120 Contents of license.
  - 370.130 Signing, posting and transfer of license.
  - 370.140 Scope of license; prohibited sales and purchases.
  - 370.150 Licenses: Period of validity; renewal; fees.
  - 370.155 Wholesale dealers: Bond or other security.
  - 370.160 Counties, cities and towns may require business licenses.
- 370.235 Periodic reporting requirements for manufacturers and wholesale dealers.
- 370.250 Suspension or revocation of license: Grounds; powers and duties of Department.
  - 370.253 Procedure for suspension and revocation of license; regulations.
  - 370.379 Suspension or revocation of license; reinstatement of license.
- 370.445 Dealer's license required; refusal to issue or renew; suspension or revocation; regulations; penalty.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senators Dondero Loop and Hardy.

#### SENATOR DONDERO LOOP:

Amendment No. 591 to Senate Bill No. 81 makes various changes to clarify the uniform licensing, administration and reporting requirements for cigarettes and other tobacco products to be administered by the Department of Taxation. These include authorizing the Nevada Tax Commission instead of the Executive Director to adopt regulations related to enforcement of cigarette sales by wholesale dealers; revising the definition of "Logistics Company" to provide that the term does not include a common carrier and to specify that such a company is authorized to engage in certain activities from a facility in this State; proving that a manufacturer must first obtain a license to temporarily store, fulfill orders for or coordinate the transport or delivery of cigarettes by using a logistics company; revising the definition of "warehouse or distribution center" to provide that such a building may be owned, leased or rented and operated by a wholesale dealer of cigarettes or a wholesale dealer of other tobacco products; providing the conditions under which a licensee may conduct operations in the same physical location as another licensee specifying the activities that each type of licensee may engage in; establishing the terms "knowingly" and "negligently" and providing that the Department of Taxation may take certain actions upon a finding that a licensee has knowingly or negligently failed to comply with any applicable statute or regulation; establishing certain factors that may be considered by the Department of Taxation in determining the penalty to be imposed on a licensee for certain violations; increasing the period of time for which a refund may be allowed under chapter 370 of NRS from one year to three years; requiring a retail dealer to ensure that packages of cigarettes have the cigarette stamp properly affixed not later than five calendar days after taking possession of them; establishes the value of inventory that must be maintained by wholesale dealers at \$5,000 for a wholesale dealer of other tobacco products and \$10,000 for a wholesale dealer of cigarettes.

Additionally, the amendment specifies certain reporting requirements regarding the activities of wholesale dealers and provides certain penalties for the failure to pay the cigarette or other tobacco products tax.

The amendment revises provisions related to when the 30-percent excise tax on other tobacco products must be paid depending on whether the taxpayer is a manufacturer, wholesale dealer or retail dealer and whether the taxpayer maintains a place of business in this State. Finally, the amendment provides that the changes to the provisions governing the imposition and payment of the tax on other tobacco products become effective on January 1, 2020, and apply to any other tobacco products purchased, received or sold by a wholesale dealer before January 1, 2020, if the tax on those products has not been paid before January 1, 2020.

SENATOR HARDY:

Will other tobacco products be included with vaping devices?

SENATOR DONDERO LOOP:

That will be a separate bill.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 99.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 622.

SUMMARY—Creates [a task force] an advisory committee to study certain issues relating to the profession of teaching. (BDR [34-389)] S-389)

AN ACT relating to education; creating the [Task Force] Advisory Committee on the Creation of a Career Pathway for Teachers to study certain issues relating to the profession of teaching; requiring the [Task Force] Advisory Committee to make recommendations [to the Commission on Professional Standards in Education] to implement its findings; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Commission on Professional Standards in Education is required to adopt regulations prescribing: (1) the qualifications for licensing teachers and other educational personnel; and (2) the educational requirements a teacher must satisfy to qualify for an endorsement in a field of specialization. (NRS 391.019) This bill creates the [Task Force] Advisory Committee on the Creation of a Career Pathway for Teachers to study certain issues relating to the profession of teaching, including, without limitation, the creation of separate tiers of licenses or endorsements for a teacher based on the scope of practice and experience of the teacher. The [Task Force] Advisory Committee consists of [eight] 19 persons with experience and knowledge in the profession of teaching. The [Task Force] Advisory Committee is required to make findings and [then make] recommendations [to the Commission] and issue a final report on changes which it finds would have a beneficial effect on the profession of teaching and on the educational performance of pupils in this State.

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

Section 1. [Chapter 391 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.] (Deleted by amendment.)

Sec. 2. [1. The Task Force on the Creation of a Career Pathway for Teachers is hereby created. The Task Force consists of:

— (a) The Superintendent of Public Instruction, or his or her designee, who serves as an ex officio member of the Task Force.

(b) The Executive Director of the Office of Workforce Innovation, or his or her designee, who serves as an ex officio member of the Task Force.

- (c) One member who represents the Nevada System of Higher Education, appointed by the Chancellor of the Nevada System of Higher Education.
- (d) Three members who are teachers at public schools in this State, appointed by the Governor from a list of nominees submitted by the Nevada State Education Association, or its successor organization.
- (e) One member who has expertise in systems design and public policy relating to the profession of teaching, appointed by the Governor.
- -(f) One member who is a member of an employee organization representing teachers in this State, appointed by the Governor.
- 2. In appointing members of the Task Force pursuant to subsection 1, the appointing authorities shall coordinate the appointments, to the extent practicable, so that the members of the Task Force represent the geographic and ethnic diversity of this State.
- 3. The Task Force shall hold its first meeting as soon as practicable after July 1, 2019, upon the call of the Governor. At the first meeting of the Task Force, the members of the Task Force shall elect a Chair.
- -4. The Task Force shall meet not more than 6 times each year at the call of the Chair:
- 5. Each appointed member of the Task Force serves for a term of 2 years and continues in office until his or her successor is appointed.
- —6. Any vacancy occurring in the appointed membership of the Task Force must be filled in the same manner as the original appointment not later than 30 days after the vacancy occurs.
- -7. Except as otherwise provided in subsection 8, the members of the Task Force serve without compensation.
- 8. While engaged in the business of the Task Force, each member of the Task Force is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 9. A majority of the members of the Task Force constitutes a quorum for the transaction of business, and a majority of those members present at any meeting is sufficient for any official action taken by the Task Force.
- 10. The Chair of the Task Force may appoint such subcommittees from within or outside the membership of the Task Force as the Chair determines necessary to carry out the duties of the Task Force.
- 11. A member of the Task Force who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Task Force and perform any work necessary to earry out the duties of the Task Force in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the Task Force to:
- (a) Make up the time he or she is absent from work to earry out his or her duties as a member of the Task Force; or
- (b) Take annual leave or compensatory time for the absence.

- -12. The Commission shall provide administrative support to the Task Force.] (Deleted by amendment.)
- Sec. 3. [1. The Task Force on the Creation of a Career Pathway for Teachers created by section 2 of this act shall:
- (a) Examine the scope of practice, professional development and typical duties and responsibilities of teachers, administrators, other licensed educational personnel and paraprofessionals who have various levels of experience to determine whether separate tiers of licenses or endorsements would have a beneficial effect on the profession of teaching and the educational performance of pupils in this State;
- (b) Study the systems of professional growth used by school districts in this State, the kinds of licenses issued by the Superintendent of Public Instruction and the endorsements issued by the Department:
- —(c) Examine whether a requirement of training in research methodology as a prerequisite to the issuance of or as a condition of renewal of a license issued by the Superintendent of Public Instruction would have a beneficial effect on the profession of teaching and the educational performance of pupils in this State:
- —(d) Examine the programs of student teaching currently used in this State;
- (e) Consider such other matters as the Task Force determines are necessary to improve the profession of teaching and the educational performance of pupils in this State.
- 2. Based on its findings, the Task Force shall make recommendations to the Commission to improve the profession of teaching, including, without limitation recommendations to:
- (a) Revise the systems of professional growth used by the school districts in this State:
- (b) Revise the kinds of licenses issued by the Superintendent of Public Instruction and the endorsements issued by the Department;
- (c) Require training in research methodology for teachers: and
- (d) Improve the quality and rigor of student teaching, including, without limitation, by requiring teachers who supervise a student teacher to obtain a special license or endorsement.
- 3. The Task Force or a subcommittee of the Task Force may seek the input, advice and assistance of persons and organizations with the knowledge, interest or expertise relevant to the duties of the Task Force.] (Deleted by amendment.)
- Sec. 3.3. <u>1. The Advisory Committee on the Creation of a Career Pathway for Teachers is hereby created consisting of the following voting members:</u>
- (a) Two members who are Senators, one of whom is appointed by the Majority Leader of the Senate and one of whom is appointed by the Minority Leader of the Senate;

- (b) Two members who are members of the Assembly, one of whom is appointed by the Speaker of the Assembly and one of whom is appointed by the Minority Leader of the Assembly;
- (c) One member who is the dean of a college of education at one of the institutions of the Nevada System of Higher Education or his or her designee, appointed by the Chancellor of the Nevada System of Higher Education;
- (d) One member who is an administrator at the school level, appointed by the Governor;
- (e) One member who teaches in a program of early childhood education at a public school, appointed by the Nevada Early Childhood Advisory Council established pursuant to NRS 432A.076;
- (f) One member who is a paraprofessional who works in a classroom in a public school, appointed by the Governor from a list of nominees submitted by the employee organization that represents the largest number of paraprofessionals in this State;
- (g) One member who is a speech-language pathologist, audiologist or social worker employed by a school district or charter school, appointed by the Governor from a list of nominees submitted by the employee organization that represents the largest number of such educational personnel in this State;
- (h) One member who is a school psychologist licensed pursuant to chapter 391 of NRS and employed by a public school, appointed by the Nevada Association of School Psychologists;
- (i) One member who is a teacher, holds a license to teach secondary education and teaches in a high school, appointed by the Governor pursuant to subsection 3;
- (j) One member who is a teacher, holds a license to teach middle school or junior high school education and teaches in a middle school or junior high school, appointed by the Governor pursuant to subsection 3;
- (k) One member who is a teacher, holds a license to teach elementary education and teaches in an elementary school, appointed by the Governor pursuant to subsection 3;
- (1) One member who is a teacher, holds a license to teach special education and teaches pupils with disabilities, appointed by the Governor pursuant to subsection 3; and
- (m) One member who holds a license issued pursuant to chapter 391 of NRS and works in a public school as a learning strategist, reading strategist, data coach, literacy coach, instructional strategist, instructional coach, art teacher, music teacher, physical education teacher or librarian, appointed by the Governor pursuant to subsection 3.
- 2. In addition to the members appointed pursuant to subsection 1, the following persons serve as nonvoting members of the Advisory Committee:
- (a) The employee of the Department of Education responsible for the licensing of teachers or his or her designee, appointed by the Superintendent of Public Instruction;

- (b) The superintendent of schools of each of the two largest school districts in this State; and
- (c) A superintendent of schools of a school district not represented in paragraph (b), appointed by the Nevada Association of School Superintendents.
- 3. The Governor shall appoint:
- (a) Two members of the Advisory Committee pursuant to paragraphs (i) to (m), inclusive, of subsection 1 from a list of names of at least three persons for each position that is submitted to the Governor by the employee organization that represents the largest number of teachers in this State.
- (b) Two members of the Advisory Committee pursuant to paragraphs (i) to (m), inclusive, of subsection 1 from a list of names of at least three persons for each position that is submitted to the Governor by the largest statewide association that represents teachers and other educational personnel in this State.
- (c) One member of the Advisory Committee pursuant to paragraphs (i) to (m), inclusive, of subsection 1 from a list of names of at least three persons that is submitted to the Governor by an educator organization that provides training, programs to improve instructional practice and advocacy for education policy in this State.
- 4. The Advisory Committee shall hold its first meeting as soon as practicable after July 1, 2019, upon the call of the Governor. At the first meeting of the Advisory Committee, the members of the Advisory Committee shall elect a Chair from among their members.
- 5. The Advisory Committee shall meet not less than four times before June 30, 2020.
- 6. A majority of the members of the Advisory Committee constitutes a quorum for the transaction of business, and a majority of those members present at any meeting is sufficient for any official action taken by the Advisory Committee.
- 7. The Chair of the Advisory Committee may appoint such subcommittees from within or outside the membership of the Advisory Committee as the Chair determines necessary to carry out the duties of the Advisory Committee. To the extent money is available for this purpose, the Advisory Committee or a subcommittee of the Advisory Committee may seek the input, advice and assistance of persons and organizations with the knowledge, interest or expertise relevant to the duties of the Advisory Committee, including, without limitation, contracting with persons with expertise in systems design and the education profession to provide technical assistance to the Advisory Committee.
- 8. The Legislative Counsel Bureau shall provide administrative support for the Advisory Committee.
- 9. The Legislators who are members of the Advisory Committee are entitled to receive the salary provided for a majority of the members of the Legislature during the first 60 days of the preceding session for each day's

- attendance at a meeting of the Advisory Committee, the per diem allowance provided for state officers generally and travel expenses provided pursuant to NRS 218A.655. Such compensation, per diem allowances and travel expenses must be paid from the Legislative Fund.
- 10. Except as otherwise provided in subsection 9, the members of the Advisory Committee serve without compensation.
- 11. While engaged in the business of the Advisory Committee, to the extent money is available for that purpose, the members of the Advisory Committee who are not Legislators are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
- 12. A member of the Advisory Committee who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Advisory Committee and perform any work necessary to carry out the duties of the Advisory Committee in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the Advisory Committee to:
- (a) Make up the time the member is absent from work to carry out his or her duties as a member of the Advisory Committee; or
- (b) Take annual leave or compensatory time for the absence.
- 13. The Advisory Committee may apply for and accept gifts, grants, donations and contributions from any source for the purpose of carrying out its duties.
- Sec. 3.5. <u>1. The Advisory Committee on the Creation of a Career Pathway for Teachers created by section 3.3 of this act shall:</u>
- (a) Examine the scope of practice, professional development and typical duties and responsibilities of teachers, administrators, other licensed educational personnel and paraprofessionals who have various levels of experience to determine whether separate tiers of licenses or endorsements would have a beneficial effect on the profession of teaching and the educational performance of pupils in this State;
- (b) Study the systems of professional growth used by school districts in this State, the types of licenses issued by the Superintendent of Public Instruction and the endorsements issued by the Department;
- (c) Examine whether a requirement of training in research methodology as a prerequisite to the issuance of or as a condition of renewal of a license issued by the Superintendent of Public Instruction would have a beneficial effect on the profession of teaching and the educational performance of pupils in this State;
- (d) Examine the programs of student teaching currently used in this State; and

- (e) Consider such other matters as the Advisory Committee determines are necessary to improve the profession of teaching and the educational performance of pupils in this State.
- 2. Not later than December 31, 2020, the Advisory Committee shall complete a final report with its findings and any recommendations, including, without limitation, recommendations regarding budgets and changes to regulations and legislation. The recommendations of the Advisory Committee must include, without limitation, recommendations to:
- (a) Revise the systems of professional growth used by the school districts in this State;
- (b) Revise the types of licenses issued by the Superintendent of Public Instruction and the endorsements issued by the Department;
- (c) Require training in research methodology for teachers; and
- (d) Improve the quality and rigor of student teaching, including, without limitation, by requiring teachers who supervise a student teacher to obtain a special license or endorsement.
- 3. The final report of the Advisory Committee must be submitted to the Governor, the State Board of Education, the Legislative Committee on Education and the Director of the Legislative Counsel Bureau for transmission to the next regular session of the Legislature. The Advisory Committee may additionally transmit its final report or any recommendation of the Advisory Committee to any other person or governmental agency that the Advisory Committee determines to be appropriate.
- Sec. 4. As soon as practicable, but not later than July 1, 2019, the members of the [Task Force] Advisory Committee on the Creation of a Career Pathway for Teachers must be appointed in accordance with section [2] 3.3 of this act.
- Sec. 5. This act becomes effective upon passage and approval for the purpose of appointing members to the [Task Force] Advisory Committee on the Creation of a Career Pathway for Teachers created by section [2] 3.3 of this act, and on July 1, 2019, for all other purposes [.] and expires by limitation on July 1, 2021.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 622 to Senate Bill No. 99 changes the task force to be an advisory committee; expands representation of the committee to include key stakeholders that more accurately reflect the various educational stakeholders and employee organizations in Nevada; allows recommendations to be made to whichever entity has the authority and/or jurisdiction to implement such recommendations; allows any gifts, grants or donations from any source for use in carrying out the provisions of this bill; includes a provision that allows the chairperson to establish subgroups as necessary to research various topics; requires meaningful consultation for areas of specialization within the education profession; ensures the firms eligible for the request for proposal to facilitate the study committee have expertise in systems design and the educational profession, and ensures that each nominating entity be required to submit at least three names for appointment consideration by the Governor.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 123.

Bill read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 533.

SUMMARY—Revises provisions relating to elections. (BDR 24-726)

AN ACT relating to elections; authorizing an elector to register to vote on the day of certain elections at certain polling places; setting forth requirements for such registration; [authorizing county and eity elerks to extend the period for early voting;] making various other changes relating to elections; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth deadlines for registering to vote by mail, computer or appearing in person at the office of a county or city clerk. (NRS 293.560, 293C.527) The last day to register to vote for a primary election, primary city election, general election or general city election: (1) by mail is the fourth Tuesday preceding the election; (2) by appearing in person at the office of the county or city clerk, as applicable, is the third Tuesday preceding the election; and (3) by computer is the Thursday preceding the first day of the period for early voting for the election. Sections 1 and 21 of this bill authorize an elector to register to vote in person for a primary election, primary city election, general election or general city election on the day of the election at certain polling places required to be designated by the county or city clerk as a site for registering to vote on election day. To register to vote, an elector must appear at such a site, complete an application to register to vote and provide proof of identity and residence. Upon completion of the application and verification of identity and residence, the elector: (1) is deemed registered to vote [and]; (2) may vote in that election only at the polling place at which he or she registered to vote  $[\cdot]$ ; and (3) must vote by casting a provisional ballot. Sections  $[2\cdot]$ 1.5-10, 12-20, 22-26 and 28-32 of this bill make conforming changes.

Existing law provides that [the period for early voting begins the third Saturday preceding an election and extends through the Friday before election day, Sundays and federal holidays excepted.] the counties and certain cities must complete the canvass of the election returns in the county or city, respectively, on or before the sixth working day following the election. (NRS [293.3568, 293C.3568)] 293.387, 293.393, 293C.387) However, various city charters set different periods for certain cities to complete the canvass of the election returns following the election. Sections [11 and 27] 11.2, 11.4, 27.5 and 33-45 of this bill [authorize a county or city clerk to extend the period for early voting until the Sunday before election day.] provide that all counties and cities must complete the canvass of the election returns on or before the 10th day following the election.

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

Section 1. Chapter 293 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Each county clerk shall:
- (a) Designate one or more polling places in the county as a site for an elector of the county to register to vote in person on the day of a primary election or general election. Each polling place designated pursuant to this paragraph must be approved by the board of county commissioners.
- (b) Publish during the week before the election in a newspaper of general circulation a notice of the location of each polling place in the county that has been designated pursuant to paragraph (a).
- (c) Post a list of the location of each polling place designated pursuant to paragraph (a) on any bulletin board used for posting notice of meetings of the board of county commissioners. The list must be posted continuously for a period beginning not later than the fifth business day before the election and ending at 7 p.m. on the day of the election. The county clerk shall make copies of the list available to the public during the period of posting in reasonable quantities without charge.
- 2. An elector who is not registered to vote by the close of registration may register to vote in person on the day of a primary election or general election at any polling place designated pursuant to subsection 1 by the county clerk of the county where the elector resides as a site for registering to vote on the day of the election.
- 3. To register to vote on the day of the primary election or general election, an elector must:
- (a) Appear before the close of the polls at a polling place designated by the county clerk pursuant to subsection 1 as a site for registering to vote on the day of the election;
  - (b) Complete the application to register to vote; and
- (c) Provide proof of his or her identity and residence as described in subsections 4 and 5.
- 4. The following forms of identification may be used to identify an elector applying to vote pursuant to this section:
  - (a) A driver's license;
  - (b) Any identification card issued by the Department of Motor Vehicles;
- (c) A military identification card which contains the signature and a photograph of the elector; or
- (d) Any other form of identification issued by a governmental agency which contains the signature and a photograph of the elector.
- 5. The following documents may be used to establish the residence of an elector if the current residential address of the elector, as indicated on his or her application to register to vote, is displayed on the document:
  - (a) Any form of identification set forth in subsection 4;

- (b) A utility bill, including, without limitation, a bill for electricity, gas, oil, water, sewer, septic, telephone, cellular telephone or cable television;
  - (c) A bank or credit union statement;
  - (d) A paycheck;
  - (e) An income tax return;
  - (f) A statement concerning the mortgage, rental or lease of a residence;
  - (g) A motor vehicle registration;
  - (h) A property tax statement; or
  - (i) Any other document issued by a governmental agency.
- 6. An elector who registers to vote pursuant to this section shall be deemed to be registered to vote upon a determination that the application to register to vote is complete and the verification of the elector's identity and residency.
  - 7. An elector who registers to vote pursuant to this section <del>[may]</del>:
- <u>(a) May vote</u> in the primary election or general election only at the polling place at which the elector registers to vote  $\underline{+}$ .
- $\frac{-8.1}{}$ ; and
- (b) Must vote by casting a provisional ballot.
- <u>8. If an elector casts a provisional ballot pursuant to this section, the provisional ballot:</u>
- (a) Must include all offices, candidates and measures upon which the elector would have been entitled to vote if the elector had cast a regular ballot; and
- (b) Is not subject to the provisions of NRS 293.3081 to 293.3086, inclusive.
- 9. The county clerk shall establish procedures, approved by the Secretary of State, to verify, before counting a provisional ballot cast by an elector pursuant to this section, that the elector was entitled to register to vote in person on the day of the election and cast the ballot.
- 10. The county clerk shall issue to {a person} an elector who is deemed to be a registered voter pursuant to subsection 6 a voter registration card as described in NRS 293.517 as soon as practicable after the election [+-], unless it is determined pursuant to subsection 9 that the elector was not entitled to register to vote in person on the day of the election.
  - Sec. 1.5. NRS 293.093 is hereby amended to read as follows:
- $293.093\,\,$  "Regular votes" means the votes cast by registered voters, except votes cast by :
- 1. An absent ballot;
- 2. A provisional ballot pursuant to section 1 or 21 of this act; or
- 3. A provisional ballot [-] pursuant to NRS 293.3081 to 293.3086, inclusive.
- Sec. 2. NRS 293.095 is hereby amended to read as follows:
- 293.095 "Roster" means the record in printed or electronic form furnished to election board officers which [contains a list of eligible voters and] is to be used for obtaining the signature of each person applying for a ballot [.] and, except for a roster designated for electors who register to vote pursuant to section 1 or 21 of this act, contains a list of eligible voters.
  - Sec. 3. NRS 293.12757 is hereby amended to read as follows:

- 293.12757 A person may sign a petition required under the election laws of this State on or after the date the person is deemed to be registered to vote pursuant to NRS 293.4855 or 293.517 or subsection 7 of NRS 293.5235 [...] or section 1 or 21 of this act.
  - Sec. 4. NRS 293.2546 is hereby amended to read as follows:

293.2546 The Legislature hereby declares that each voter has the right:

- 1. To receive and cast a ballot that:
- (a) Is written in a format that allows the clear identification of candidates; and
  - (b) Accurately records the voter's preference in the selection of candidates.
- 2. To have questions concerning voting procedures answered and to have an explanation of the procedures for voting posted in a conspicuous place at the polling place.
  - 3. To vote without being intimidated, threatened or coerced.
- 4. To vote on election day if the voter is waiting in line to vote or register to vote before 7 p.m. at [his or her] a polling place at which he or she is entitled to vote [before 7 p.m.] or register to vote and the voter has not already cast a vote in that election.
- 5. To return a spoiled ballot and is entitled to receive another ballot in its place.
  - 6. To request assistance in voting, if necessary.
- 7. To a sample ballot which is accurate, informative and delivered in a timely manner as provided by law.
- 8. To receive instruction in the use of the equipment for voting during early voting or on election day.
- 9. To have nondiscriminatory equal access to the elections system, including, without limitation, a voter who is elderly, disabled, a member of a minority group, employed by the military or a citizen who is overseas.
- 10. To have a uniform, statewide standard for counting and recounting all votes accurately.
- 11. To have complaints about elections and election contests resolved fairly, accurately and efficiently.
  - Sec. 5. NRS 293.2725 is hereby amended to read as follows:
- 293.2725 1. Except as otherwise provided in subsection 2, in NRS 293.3081 and 293.3083 and in federal law, a person who registers to vote by mail or computer or a person who preregisters to vote by mail or computer and is subsequently deemed to be registered to vote, and who has not previously voted in an election for federal office in this State:
- (a) May vote at a polling place only if the person presents to the election board officer at the polling place:
- (1) A current and valid photo identification of the person, which shows his or her physical address; or
- (2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name

and address of the person, but not including a voter registration card issued pursuant to NRS 293.517; and

- (b) May vote by mail only if the person provides to the county or city clerk:
- (1) A copy of a current and valid photo identification of the person, which shows his or her physical address; or
- (2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517.
- → If there is a question as to the physical address of the person, the election board officer or clerk may request additional information.
  - 2. The provisions of subsection 1 do not apply to a person who:
- (a) Registers to vote by mail or computer, or preregisters to vote by mail or computer and is subsequently deemed to be registered to vote, and submits with an application to preregister or register to vote:
  - (1) A copy of a current and valid photo identification; or
- (2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517;
- (b) Except as otherwise provided in subsection 3, registers to vote by mail or computer and submits with an application to register to vote a driver's license number or at least the last four digits of his or her social security number, if a state or local election official has matched that information with an existing identification record bearing the same number, name and date of birth as provided by the person in the application;
- (c) Is entitled to vote an absent ballot pursuant to the Uniformed and Overseas Citizens Absentee Voting Act, 52 U.S.C. §§ 20301 et seq.;
- (d) Is provided the right to vote otherwise than in person under the Voting Accessibility for the Elderly and Handicapped Act, 52 U.S.C. §§ 20101 et seq.; or
  - (e) Is entitled to vote otherwise than in person under any other federal law.
- 3. The provisions of subsection 1 apply to a person described in paragraph (b) of subsection 2 if the voter registration card issued to the person pursuant to [subsection 6 of] NRS 293.517 is mailed by the county clerk to the person and returned to the county clerk by the United States Postal Service.
  - Sec. 6. NRS 293.273 is hereby amended to read as follows:
- 293.273 1. Except as otherwise provided in subsection 2 and NRS 293.305, at all elections held under the provisions of this title, the polls must open at 7 a.m. and close at 7 p.m.
- 2. [Whenever] Except as otherwise provided in this subsection, whenever at any election all the votes of the polling place, as shown on the roster, have been cast, the election board officers shall close the polls, and the counting of votes must begin and continue without unnecessary delay until the count is completed. The provisions of this subsection do not apply to a polling place

designated pursuant to section 1 of this act as a site for an elector to register to vote on the day of the election.

- 3. Upon opening the polls, one of the election board officers shall cause a proclamation to be made that all present may be aware of the fact that applications of registered voters to vote will be received.
- 4. No person other than election board officers engaged in receiving, preparing or depositing ballots may be permitted inside the guardrail during the time the polls are open, except by authority of the election board as necessary to keep order and carry out the provisions of this title.
  - Sec. 7. NRS 293.275 is hereby amended to read as follows:
- 293.275 No election board may perform its duty in serving registered voters at any polling place in any election provided for in this title, unless it has before it  $\{the\}$ :
  - 1. The roster for the polling place  $\{\cdot,\cdot\}$ ; and
- 2. If the polling place is designated pursuant to section 1 or 21 of this act as a site for an elector to register to vote on the day of the election, the roster designated for electors who register to vote pursuant to that section.
  - Sec. 8. NRS 293.277 is hereby amended to read as follows:
- 293.277 1. Except as otherwise provided in <u>this section and</u> NRS 293.283 and 293.541, if a person's name appears in the roster, <del>[or]</del> if the person provides an affirmation pursuant to NRS 293.525 <del>[,]</del> or if the person registered to vote on the day of the primary election or general election pursuant to section 1 of this act, the person is entitled to vote and must sign his or her name in the appropriate roster or on a signature card when he or she applies to vote. The signature must be compared by an election board officer with the signature or a facsimile thereof on the person's application to register to vote or one of the forms of identification listed in subsection 2.
- 2. Except as otherwise provided in NRS 293.2725, the forms of identification which may be used individually to identify a voter at the polling place are:
- (a) The card issued to the voter at the time he or she registered to vote or was deemed to be registered to vote;
  - (b) A driver's license;
  - (c) An identification card issued by the Department of Motor Vehicles;
  - (d) A military identification card; or
- (e) Any other form of identification issued by a governmental agency which contains the voter's signature and physical description or picture.
- 3. [The county clerk shall prescribe a procedure, approved by the Secretary of State, to verify that the voter has not already voted in the current election.] If the person registered to vote on the day of the primary election or general election pursuant to section 1 of this act, the person must vote by casting a provisional ballot that must be verified in accordance with the procedures established pursuant to section 1 of this act.
  - Sec. 9. NRS 293.296 is hereby amended to read as follows:

- 293.296 1. Any registered voter who by reason of a physical disability or an inability to read or write English is unable to mark a ballot or use any voting device without assistance is entitled to assistance from a consenting person of his or her own choice, except:
  - (a) The voter's employer or an agent of the voter's employer; or
  - (b) An officer or agent of the voter's labor organization.
- 2. A person providing assistance pursuant to this section to a voter in casting a vote shall not disclose any information with respect to the casting of that ballot.
- 3. The right to assistance in casting a ballot may not be denied or impaired when the need for assistance is apparent or is known to the election board or any member thereof or when the registered voter requests such assistance in any manner.
- 4. In addition to complying with the requirements of this section, the county clerk and election board officer shall, upon the request of a registered voter with a physical disability, make reasonable accommodations to allow the voter to vote at [his or her] a polling place [...] at which he or she is entitled to vote.
  - Sec. 9.5. NRS 293.3025 is hereby amended to read as follows:
- 293.3025 The Secretary of State and each county and city clerk shall ensure that a copy of each of the following is posted in a conspicuous place at each polling place on election day:
  - 1. A sample ballot;
- 2. Information concerning the date and hours of operation of the polling place;
- 3. Instructions for voting and casting a ballot, including a provisional ballot [+] pursuant to section 1 or 21 of this act or a provisional ballot pursuant to NRS 293.3081 to 293.3086, inclusive;
- 4. Instructions concerning the identification required for persons who registered by mail and are first-time voters for federal office in this State;
- 5. Information concerning the accessibility of polling places to persons with disabilities:
- 6. General information concerning federal and state laws which prohibit acts of fraud and misrepresentation; and
- 7. Information concerning the eligibility of a candidate, a ballot question or any other matter appearing on the ballot as a result of a judicial determination or by operation of law, if any.
  - Sec. 10. NRS 293.305 is hereby amended to read as follows:
  - 293.305 1. If at the hour of closing the polls there are any [registered]:
  - (a) Registered voters waiting to vote  $\{\cdot,\cdot\}$ ; or
- (b) If the polling place has been designated pursuant to section 1 of this act as a site for an elector of the county to register to vote on the day of an election, persons waiting to register to vote,

- the doors of the polling place must be closed after all such [voters] persons have been admitted to the polling place. Voting and, if applicable, the registration of voters must continue until those [voters] persons have voted.
- 2. The deputy sheriff shall allow other persons to enter the polling place after the doors have been closed for the purpose of observing or any other legitimate purpose if there is room within the polling place and such admittance will not interfere unduly with the voting [...] or the registration of voters.

### Sec. 11. [NRS 293.3568 is hereby amended to read as follows:

- 293.3568 1. The period for early voting by personal appearance begins the third Saturday preceding a primary or general election and, except as otherwise provided in this subsection, extends through the Friday before election day. [, Sundays and federal holidays excepted.] A county elerk may:

  (a) Extend the period for early voting by personal appearance through the Sunday before election day.
- (b) Include any federal holiday or other Sunday that falls within the period for early votine by personal appearance.
- 2. The county clerk may [:
- —(a) Include any Sunday or federal holiday that falls within the period for early voting by personal appearance.
- (b) Require] require a permanent polling place for early voting to remain open until 8 p.m. on any Saturday that falls within the period for early voting.
- 3. A permanent polling place for early voting must remain open:
- (a) On Monday through Friday:
- (1) During the first week of early voting, from 8 a.m. until 6 p.m.
- (2) During the second week of early voting, from 8 a.m. until 6 p.m., or
- (b) On any Saturday that falls within the period for early voting, for at least 4 hours between 10 a.m. and 6 p.m.
- (c) If the county clerk extends the period for early voting by personal appearance pursuant to subsection 1, on the Sunday before election day for at least 1 hours between 10 a.m. and 6 p.m.
- —(d) If the county clerk includes [a] any other Sunday that falls within the period for early voting, [pursuant to subsection 2,] on that Sunday during such hours as the county clerk may establish.] (Deleted by amendment.)
  - Sec. 11.2. NRS 293.387 is hereby amended to read as follows:
- 293.387 1. As soon as the returns from all the precincts and districts in any county have been received by the board of county commissioners, the board shall meet and canvass the returns. The canvass must be completed on or before the [sixth working] 10th day following the election.
  - 2. In making its canvass, the board shall:
  - (a) Note separately any clerical errors discovered; and
- (b) Take account of the changes resulting from the discovery, so that the result declared represents the true vote cast.

- 3. The county clerk shall, as soon as the result is declared, enter upon the records of the board an abstract of the result, which must contain the number of votes cast for each candidate. The board, after making the abstract, shall cause the county clerk to certify the abstract and, by an order made and entered in the minutes of its proceedings, to make:
  - (a) A copy of the certified abstract; and
- (b) A mechanized report of the abstract in compliance with regulations adopted by the Secretary of State,
- → and transmit them to the Secretary of State not more than 7 working days after the election.
- 4. The Secretary of State shall, immediately after any primary election, compile the returns for all candidates voted for in more than one county. The Secretary of State shall make out and file in his or her office an abstract thereof, and shall certify to the county clerk of each county the name of each person nominated, and the name of the office for which the person is nominated.

### Sec. 11.4. NRS 293.393 is hereby amended to read as follows:

- 293.393 1. On or before the [sixth working] 10th day after any general election or any other election at which votes are cast for any United States Senator, Representative in Congress, member of the Legislature or any state officer who is elected statewide, the board of county commissioners shall open the returns of votes cast and make abstracts of the votes.
- 2. Abstracts of votes must be prepared in the manner prescribed by the Secretary of State by regulation.
- 3. The county clerk shall make out a certificate of election to each of the persons having the highest number of votes for the district, county and township offices.
- 4. Each certificate must be delivered to the person elected upon application at the office of the county clerk.
  - Sec. 12. NRS 293.4689 is hereby amended to read as follows:
- 293.4689 1. If a county clerk maintains a website on the Internet for information related to elections, the website must contain public information maintained, collected or compiled by the county clerk that relates to elections, which must include, without limitation:
- (a) The locations of polling places for casting a ballot on election day in such a format that a registered voter may search the list to determine the location of the polling place at which the registered voter is required to cast a ballot; [and]
- (b) The location of every polling place designated pursuant to section 1 of this act as a site for an elector to register to vote on election day; and
- (c) The abstract of votes required pursuant to the provisions of NRS 293.388.
- 2. The abstract of votes required to be maintained on the website pursuant to paragraph (b) of subsection 1 must be maintained in such a format as to permit the searching of the abstract of votes for specific information.

- 3. If the information required to be maintained by a county clerk pursuant to subsection 1 may be obtained by the public from a website on the Internet maintained by the Secretary of State, another county clerk or a city clerk, the county clerk may provide a hyperlink to that website to comply with the provisions of subsection 1 with regard to that information.
  - Sec. 13. NRS 293.469 is hereby amended to read as follows:
  - 293.469 Each county clerk is encouraged to:
- 1. Not later than the earlier date of the notice provided pursuant to NRS 293.203 or the first notice provided pursuant to subsection [4] 5 of NRS 293.560, notify the public, through means designed to reach members of the public who are elderly or disabled, of the provisions of NRS 293.2955, 293.296, 293.313, 293.316 and 293.3165.
- 2. Provide in alternative audio and visual formats information concerning elections, information concerning how to preregister or register to vote and information concerning the manner of voting for use by a person who is elderly or disabled, including, without limitation, providing such information through a telecommunications device that is accessible to a person who is deaf.
- 3. Not later than 5 working days after receiving the request of a person who is elderly or disabled, provide to the person, in a format that can be used by the person, any requested material that is:
  - (a) Related to elections; and
  - (b) Made available by the county clerk to the public in printed form.
  - Sec. 13.5. NRS 293.4695 is hereby amended to read as follows:
- 293.4695 1. Each county clerk shall collect the following information regarding each primary and general election, on a form provided by the Secretary of State and made available at each polling place in the county, each polling place for early voting in the county, the office of the county clerk and any other location deemed appropriate by the Secretary of State:
- (a) The number of ballots that have been discarded or for any reason not included in the final canvass of votes, along with an explanation for the exclusion of each such ballot from the final canvass of votes.
- (b) A report on each malfunction of any mechanical voting system, including, without limitation:
  - (1) Any known reason for the malfunction;
- (2) The length of time during which the mechanical voting system could not be used;
- (3) Any remedy for the malfunction which was used at the time of the malfunction; and
  - (4) Any effect the malfunction had on the election process.
- (c) A list of each polling place not open during the time prescribed pursuant to NRS 293.273 and an account explaining why each such polling place was not open during the time prescribed pursuant to NRS 293.273.
- (d) A description of each challenge made to the eligibility of a voter pursuant to NRS 293.303 and the result of each such challenge.

- (e) A description of each complaint regarding a ballot cast by mail or facsimile filed with the county clerk and the resolution, if any, of the complaint.
- (f) The results of any audit of election procedures and practices conducted pursuant to regulations adopted by the Secretary of State pursuant to this chapter.
- (g) The number of provisional ballots cast pursuant to sections 1 and 21 of this act.
- (h) The number of provisional ballots cast <u>pursuant to NRS 293.3081 to 293.3086</u>, <u>inclusive</u>, and the reason for the casting of each <u>such</u> provisional ballot.
- 2. Each county clerk shall submit to the Secretary of State, on a form provided by the Secretary of State, the information collected pursuant to subsection 1 not more than 60 days after each primary and general election.
- 3. The Secretary of State may contact any political party and request information to assist in the investigation of any allegation of voter intimidation.
- 4. The Secretary of State shall establish and maintain an Internet website pursuant to which the Secretary of State shall solicit and collect voter comments regarding election processes.
- 5. The Secretary of State shall compile the information and comments collected pursuant to this section into a report and shall submit the report to the Director of the Legislative Counsel Bureau for transmission to the Legislature not sooner than 30 days before and not later than 30 days after the first day of each regular session of the Legislature.
- 6. The Secretary of State may make the report required pursuant to subsection 5 available on an Internet website established and maintained by the Secretary of State.
  - Sec. 14. NRS 293.4855 is hereby amended to read as follows:
- 293.4855 1. Every citizen of the United States who is 17 years of age or older but less than 18 years of age and has continuously resided in this State for 30 days or longer may , *except as otherwise provided in subsection 2*, preregister to vote by any of the means available for a person to register to vote pursuant to this title. A person eligible to preregister to vote is deemed to be preregistered to vote upon the submission of a completed application to preregister to vote.
- 2. A person may not preregister to vote at a polling place designated pursuant to section 1 or 21 of this act as a site for an elector to register to vote on the day of an election.
- 3. If a person preregisters to vote, he or she shall be deemed to be a registered voter on his or her 18th birthday unless:
- (a) The person's preregistration has been cancelled as described in subsection  $\frac{7}{3}$  8; or

- (b) Except as otherwise provided in NRS 293D.210, on the person's 18th birthday, he or she does not satisfy the voter eligibility requirements set forth in NRS 293.485.
- [3.] 4. The county clerk shall issue to a person who is deemed to be registered to vote pursuant to subsection [2] 3 a voter registration card as described in [subsection 6 of] NRS 293.517 as soon as practicable [immediately] after the person is deemed to be registered to vote.
- [4.] 5. On the date that a person who preregisters to vote is deemed to be registered to vote, his or her application to preregister to vote is deemed to be his or her application to register to vote.
  - [5.] 6. If a person preregistered to vote:
- (a) By mail or computer, he or she shall be deemed to have registered to vote by mail or computer, as applicable.
  - (b) In person, he or she shall be deemed to have registered to vote in person.
- [6.] 7. The preregistration information of a person may be updated by any of the means for updating the voter registration information of a person pursuant to this chapter.
- [7.] 8. The preregistration to vote of a person may be cancelled by any of the means and for any of the reasons for cancelling voter registration pursuant to this chapter.
- [8.] 9. Except as otherwise provided in this subsection, all preregistration information relating to a person is confidential and is not a public record. Once a person's application to preregister to vote is deemed to be an application to register to vote, any voter registration information related to the person must be disclosed pursuant to any law that requires voter registration information to be disclosed.
- [9.] 10. The Secretary of State shall adopt regulations providing for preregistration to vote. The regulations:
- (a) Must include, without limitation, provisions to ensure that once a person is deemed to be a registered voter pursuant to subsection [2] 3 the person is [immediately] issued a voter registration card <u>as soon as practicable</u> and <u>is immediately</u> added to the statewide voter registration list and the registrar of voters' register; and
- (b) Must not require a county clerk to provide to a person who preregisters to vote sample ballots or any other voter information provided to registered voters unless the person will be eligible to vote at the election for which the sample ballots or other information is provided.
  - Sec. 15. NRS 293.517 is hereby amended to read as follows:
- 293.517 1. Any person who meets the qualifications set forth in NRS 293.4855 residing within the county may preregister to vote and any elector residing within the county may register to vote:
- (a) Except as otherwise provided in NRS 293.560 and 293C.527, by appearing before the county clerk, a field registrar or a voter registration agency, completing the application to preregister or register to vote, giving true

and satisfactory answers to all questions relevant to his or her identity and right to preregister or register to vote, and providing proof of residence and identity;

- (b) By completing and mailing or personally delivering to the county clerk an application to preregister or register to vote pursuant to the provisions of NRS 293.5235;
  - (c) Pursuant to the provisions of NRS 293.524 or chapter 293D of NRS;
- (d) At his or her residence with the assistance of a field registrar pursuant to NRS 293.5237; or
- (e) By submitting an application to preregister or register to vote by computer, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters.
- → The county clerk shall require a person to submit official identification as proof of residence and identity, such as a driver's license or other official document, before preregistering or registering the person. If the applicant preregisters or registers to vote pursuant to this subsection and fails to provide proof of residence and identity, the applicant must provide proof of residence and identity before casting a ballot in person or by mail or after casting a provisional ballot pursuant to NRS 293.3081 [or 293.3083.] to 293.3086, inclusive. For the purposes of this subsection, a voter registration card issued pursuant to subsection [6] 7 does not provide proof of the residence or identity of a person.
- 2. In addition to the methods for registering to vote described in subsection 1, an elector may register to vote at a polling place designated pursuant to section 1 or 21 of this act as a site for the elector to register to vote on the day of an election.
- 3. The application to preregister or register to vote must be signed and verified under penalty of perjury by the person preregistering or the elector registering.
- [3.] 4. Each person or elector who is or has been married must be preregistered or registered under his or her own given or first name, and not under the given or first name or initials of his or her spouse.
- [4.] 5. A person or an elector who is preregistered or registered and changes his or her name must complete a new application to preregister or register to vote, as applicable. The person or elector may obtain a new application:
  - (a) At the office of the county clerk or field registrar;
- (b) By submitting an application to preregister or register to vote pursuant to the provisions of NRS 293.5235;
- (c) By submitting a written statement to the county clerk requesting the county clerk to mail an application to preregister or register to vote;
  - (d) At any voter registration agency; or
- (e) By submitting an application to preregister or register to vote by computer, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters.

- → If the elector fails to register under his or her new name, the elector may be challenged pursuant to the provisions of NRS 293.303 or 293C.292 and may be required to furnish proof of identity and subsequent change of name.
- [5.] 6. Except as otherwise provided in subsection [7,] 8, an elector who registers to vote pursuant to paragraph (a) of subsection 1 shall be deemed to be registered upon the completion of an application to register to vote.
- [6.] 7. After the county clerk determines that the application to register to vote of a person is complete and that, except as otherwise provided in NRS 293D.210, the person is eligible to vote pursuant to NRS 293.485, the county clerk shall issue a voter registration card to the voter which contains:
  - (a) The name, address, political affiliation and precinct number of the voter;
  - (b) The date of issuance; and
  - (c) The signature of the county clerk.
- [7.] 8. If a person or an elector submits an application to preregister or register to vote or an affidavit described in paragraph (c) of subsection 1 of NRS 293.507 that contains any handwritten additions, erasures or interlineations, the county clerk may object to the application if the county clerk believes that because of such handwritten additions, erasures or interlineations, the application is incomplete or that, except as otherwise provided in NRS 293D.210, the person is not eligible to preregister pursuant to NRS 293.4855 or the elector is not eligible to vote pursuant to NRS 293.485, as applicable. If the county clerk objects pursuant to this subsection, he or she shall immediately notify the person or elector, as applicable, and the district attorney of the county. Not later than 5 business days after the district attorney receives such notification, the district attorney shall advise the county clerk as to whether:
- (a) The application is complete and, except as otherwise provided in NRS 293D.210, the person is eligible to preregister pursuant to NRS 293.4855 or the elector is eligible to vote pursuant to NRS 293.485; and
  - (b) The county clerk should proceed to process the application.
- → If the district attorney advises the county clerk to process the application, the county clerk shall immediately issue a voter registration card to the applicant pursuant to subsection  $\frac{1}{6}$ , if applicable.
  - Sec. 16. NRS 293.5235 is hereby amended to read as follows:
- 293.5235 1. Except as otherwise provided in NRS 293.502 and chapter 293D of NRS, a person may preregister or register to vote by mailing an application to preregister or register to vote to the county clerk of the county in which the person resides or may preregister or register to vote by computer, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to preregister or register to vote. The county clerk shall, upon request, mail an application to preregister or register to vote to an applicant. The county clerk shall make the applications available at various public places in the county. An application to preregister to vote may be used to correct information in a previous application. An application to register to vote may be used to correct information in the registrar of voters' register.

- 2. An application to preregister or register to vote which is mailed to an applicant by the county clerk or made available to the public at various locations or voter registration agencies in the county may be returned to the county clerk by mail or in person. For the purposes of this section, an application which is personally delivered to the county clerk shall be deemed to have been returned by mail.
- 3. The applicant must complete the application, including, without limitation, checking the boxes described in paragraphs (b) and (c) of subsection 10 and signing the application.
- 4. The county clerk shall, upon receipt of an application, determine whether the application is complete.
- 5. If the county clerk determines that the application is complete, he or she shall, within 10 days after receiving the application, mail to the applicant:
- (a) A notice that the applicant is preregistered or registered to vote, as applicable. If the applicant is registered to vote, the county clerk must also mail to the applicant a voter registration card as required by [subsection 6 of] NRS 293.517; or
- (b) A notice that the person's application to preregister to vote or the registrar of voters' register has been corrected to reflect any changes indicated on the application.
- 6. Except as otherwise provided in subsection 5 of NRS 293.518, if the county clerk determines that the application is not complete, the county clerk shall, as soon as possible, mail a notice to the applicant that additional information is required to complete the application. If the applicant provides the information requested by the county clerk within 15 days after the county clerk mails the notice, the county clerk shall, within 10 days after receiving the information, mail to the applicant:
  - (a) A notice that the applicant is:
    - (1) Preregistered to vote; or
- (2) Registered to vote and a voter registration card as required by [subsection 6 of] NRS 293.517; or
- (b) A notice that the person's application to preregister to vote or the registrar of voters' register has been corrected to reflect any changes indicated on the application.
- → If the applicant does not provide the additional information within the prescribed period, the application is void.
- 7. The applicant shall be deemed to be preregistered or registered or to have corrected the information in the application to preregister to vote or the registrar of voters' register on the date the application is postmarked or received by the county clerk, whichever is earlier.
- 8. If the applicant fails to check the box described in paragraph (b) of subsection 10, the application shall not be considered invalid and the county clerk shall provide a means for the applicant to correct the omission at the time the applicant appears to vote in person at the assigned polling place.

- 9. The Secretary of State shall prescribe the form for applications to preregister or register to vote by:
- (a) Mail, which must be used to preregister or register to vote by mail in this State.
- (b) Computer, which must be used to preregister or register to vote in a county if the county clerk has established a system pursuant to NRS 293.506 for using a computer to preregister or register to vote.
  - 10. The application to preregister or register to vote by mail must include:
  - (a) A notice in at least 10-point type which states:
    - NOTICE: You are urged to return your application to the County Clerk in person or by mail. If you choose to give your completed application to another person to return to the County Clerk on your behalf, and the person fails to deliver the application to the County Clerk, you will not be preregistered or registered to vote, as applicable. Please retain the duplicate copy or receipt from your application to preregister or register to vote.
- (b) The question, "Are you a citizen of the United States?" and boxes for the applicant to check to indicate whether or not the applicant is a citizen of the United States.
  - (c) If the application is to:
- (1) Preregister to vote, the question, "Are you at least 17 years of age and not more than 18 years of age?" and boxes to indicate whether or not the applicant is at least 17 years of age and not more than 18 years of age.
- (2) Register to vote, the question, "Will you be at least 18 years of age on or before election day?" and boxes for the applicant to check to indicate whether or not the applicant will be at least 18 years of age or older on election day.
- (d) A statement instructing the applicant not to complete the application if the applicant checked "no" in response to the question set forth in:
- (1) If the application is to preregister to vote, paragraph (b) or subparagraph (1) of paragraph (c).
- (2) If the application is to register to vote, paragraph (b) or subparagraph (2) of paragraph (c).
- (e) A statement informing the applicant that if the application is submitted by mail and the applicant is preregistering or registering to vote for the first time, the applicant must submit the information set forth in paragraph (a) of subsection 2 of NRS 293.2725 to avoid the requirements of subsection 1 of NRS 293.2725 upon voting for the first time.
- 11. Except as otherwise provided in subsection 5 of NRS 293.518, the county clerk shall not preregister or register a person to vote pursuant to this section unless that person has provided all of the information required by the application.
- 12. The county clerk shall mail, by postcard, the notices required pursuant to subsections 5 and 6. If the postcard is returned to the county clerk by the United States Postal Service because the address is fictitious or the person does

not live at that address, the county clerk shall attempt to determine whether the person's current residence is other than that indicated on the application to preregister or register to vote in the manner set forth in NRS 293.530.

- 13. A person who, by mail, preregisters or registers to vote pursuant to this section may be assisted in completing the application to preregister or register to vote by any other person. The application must include the mailing address and signature of the person who assisted the applicant. The failure to provide the information required by this subsection will not result in the application being deemed incomplete.
- 14. An application to preregister or register to vote must be made available to all persons, regardless of political party affiliation.
- 15. An application must not be altered or otherwise defaced after the applicant has completed and signed it. An application must be mailed or delivered in person to the office of the county clerk within 10 days after it is completed.
- 16. A person who willfully violates any of the provisions of subsection 13, 14 or 15 is guilty of a category E felony and shall be punished as provided in NRS 193.130.
- 17. The Secretary of State shall adopt regulations to carry out the provisions of this section.
  - Sec. 17. NRS 293.560 is hereby amended to read as follows:
- 293.560 1. Except as otherwise provided in NRS 293.502, 293D.230 and 293D.300:
- (a) For a primary or general election, or a recall or special election that is held on the same day as a primary or general election, the last day to register to vote:
- (1) By mail is the fourth Tuesday preceding the primary or general election.
- (2) By appearing in person at the office of the county clerk or, if open, a county facility designated pursuant to NRS 293.5035, is the third Tuesday preceding the primary or general election.
- (3) By computer, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters, is the Thursday preceding the first day of the period for early voting.
- (b) If a recall or special election is not held on the same day as a primary or general election, the last day to register to vote for the recall or special election by any means is the third Saturday preceding the recall or special election.
- 2. Except as otherwise provided in section 1 of this act, after the deadlines for the close of registration for a primary or general election set forth in subsection 1, no person may register to vote for the election.
- 3. For a primary or special election, the office of the county clerk must be open until 7 p.m. during the last 2 days on which a person may register to vote in person [.] pursuant to subparagraph (2) of paragraph (a) of subsection 1. In a county whose population is less than 100,000, the office of the county clerk may close at 5 p.m. during the last 2 days a person may register to vote

in person pursuant to subparagraph (2) of paragraph (a) of subsection 1 if approved by the board of county commissioners.

- [3.] 4. For a general election:
- (a) In a county whose population is less than 100,000, the office of the county clerk must be open until 7 p.m. during the last 2 days on which a person may register to vote in person [.] pursuant to subparagraph (2) of paragraph (a) of subsection 1. The office of the county clerk may close at 5 p.m. if approved by the board of county commissioners.
- (b) In a county whose population is 100,000 or more, the office of the county clerk must be open during the last 4 days on which a person may register to vote in person  $[\cdot, \cdot]$  pursuant to subparagraph (2) of paragraph (a) of subsection 1, according to the following schedule:
  - (1) On weekdays until 9 p.m.; and
  - (2) A minimum of 8 hours on Saturdays, Sundays and legal holidays.
- [4.] 5. Except for a special election held pursuant to chapter 306 or 350 of NRS:
- (a) The county clerk of each county shall cause a notice signed by him or her to be published in a newspaper having a general circulation in the county indicating:
  - (1) The day and time that registration will be closed; and
- (2) If the county clerk has designated a county facility pursuant to NRS 293.5035, the location of that facility.
- → If no such newspaper is published in the county, the publication may be made in a newspaper of general circulation published in the nearest county in this State.
- (b) The notice must be published once each week for 4 consecutive weeks next preceding the close of registration for any election.
- [5.] 6. The offices of the county clerk, a county facility designated pursuant to NRS 293.5035 and other ex officio registrars may remain open on the last Friday in October in each even-numbered year.
- [6.] 7. A county facility designated pursuant to NRS 293.5035 may be open during the periods described in this section for such hours of operation as the county clerk may determine, as set forth in subsection 3 of NRS 293.5035.
  - Sec. 18. NRS 293.563 is hereby amended to read as follows:
- 293.563 1. During the interval between the closing of registration and the election, the county clerk shall prepare for {each}:
- (a) Each polling place a roster containing the registered voters eligible to vote at the polling place.
- (b) Each polling place designated pursuant to section 1 or 21 of this act, as applicable, a roster designated for electors who register to vote on the day of the election pursuant to those sections.
- 2. The [roster] rosters must be delivered or caused to be delivered by the county or city clerk to an election board officer of the proper polling place before the opening of the polls.

- Sec. 19. NRS 293.730 is hereby amended to read as follows:
- 293.730 1. A person shall not:
- (a) Remain in or outside of any polling place so as to interfere with the conduct of the election.
- (b) Except an election board officer, receive from any voter a ballot prepared by the voter.
  - (c) Remove a ballot from any polling place before the closing of the polls.
- (d) Apply for or receive a ballot at any election precinct or district other than [the] one at which the person is entitled to vote.
- (e) Show his or her ballot to any person, after voting, so as to reveal any of the names voted for.
- (f) Inside a polling place, ask another person for whom he or she intends to vote.
  - (g) Except an election board officer, deliver a ballot to a voter.
- (h) Except an election board officer in the course of the election board officer's official duties, inside a polling place, ask another person his or her name, address or political affiliation.
  - 2. A voter shall not:
  - (a) Receive a ballot from any person other than an election board officer.
- (b) Deliver to an election board or to any member thereof any ballot other than the one received.
- (c) Place any mark upon his or her ballot by which it may afterward be identified as the one voted by the person.
- 3. Any person who violates any provision of this section is guilty of a category E felony and shall be punished as provided in NRS 193.130.
  - Sec. 20. NRS 293.790 is hereby amended to read as follows:
- 293.790 If any person whose vote has been rejected offers to vote at the same election, at any polling place other than [the] one in which the person is [registered] entitled to vote, such person is guilty of a gross misdemeanor.
- Sec. 21. Chapter 293C of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection [9,] 11, each city clerk shall:
- (a) Designate one or more polling places in the city as a site for an elector of the city to register to vote in person on the day of a primary city election or general city election. Each polling place designated pursuant to this paragraph must be approved by the governing body of the city.
- (b) Publish during the week before the election in a newspaper of general circulation a notice of the location of each polling place in the city that has been designated pursuant to paragraph (a).
- (c) Post a list of the location of each polling place designated pursuant to paragraph (a) on any bulletin board used for posting notice of meetings of the governing body of the city. The list must be posted continuously for a period beginning not later than the fifth business day before the election and ending at 7 p.m. on the day of the election. The city clerk shall make copies of the list

available to the public during the period of posting in reasonable quantities without charge.

- 2. An elector who is not registered to vote by the close of registration may register to vote in person on the day of a primary city election or general city election at any polling place designated pursuant to subsection 1 by the city clerk of the city where the elector resides as a site for registering to vote on the day of the election.
- 3. To register to vote on the day of the primary city election or general city election, an elector must:
- (a) Appear before the close of the polls at a polling place designated by the city clerk pursuant to subsection 1 as a site for registering to vote on the day of the election;
  - (b) Complete the application to register to vote; and
- (c) Provide proof of his or her identity and residence as described in subsections 4 and 5.
- 4. The following forms of identification may be used to identify an elector applying to vote pursuant to this section:
  - (a) A driver's license;
  - (b) Any identification card issued by the Department of Motor Vehicles;
- (c) A military identification card which contains the signature and a photograph of the elector; or
- (d) Any other form of identification issued by a governmental agency which contains the signature and a photograph of the elector.
- 5. The following documents may be used to establish the residence of an elector if the current residential address of the elector, as indicated on his or her application to register to vote, is displayed on the document:
  - (a) Any form of identification set forth in subsection 4;
- (b) A utility bill, including, without limitation, a bill for electricity, gas, oil, water, sewer, septic, telephone, cellular telephone or cable television;
  - (c) A bank or credit union statement;
  - (d) A paycheck;
  - (e) An income tax return;
  - (f) A statement concerning the mortgage, rental or lease of a residence;
  - (g) A motor vehicle registration;
  - (h) A property tax statement; or
  - (i) Any other document issued by a governmental agency.
- 6. An elector who registers to vote pursuant to this section shall be deemed to be registered to vote upon a determination that the application to register to vote is complete and the verification of the elector's identity and residency.
  - 7. An elector who registers to vote pursuant to this section [may]:
- (a) May vote in the primary city election or general city election only at the polling place at which the elector registers to vote <u>f</u>.
- $\frac{8.1}{3}$ ; and
- (b) Must vote by casting a provisional ballot.

- 8. If an elector casts a provisional ballot pursuant to this section, the provisional ballot:
- (a) Must include all offices, candidates and measures upon which the elector would have been entitled to vote if the elector had cast a regular ballot; and
- (b) Is not subject to the provisions of NRS 293.3081 to 293.3086, inclusive.
- 9. The city clerk shall establish procedures, approved by the Secretary of State, to verify, before counting a provisional ballot cast by an elector pursuant to this section, that the elector was entitled to register to vote in person on the day of the election and cast the ballot.
- <u>10.</u> The county clerk shall issue to <del>[a person]</del> an elector who is deemed to be a registered voter pursuant to subsection 6 a voter registration card as described in NRS 293.517 as soon as practicable after the election <del>[+</del>
- 9-1, unless it is determined pursuant to subsection 9 that the elector was not entitled to register to vote in person on the day of the election.
- <u>11.</u> The provisions of this section do not apply to a city election conducted pursuant to NRS 293C.112 where all ballots must be cast by mail.
  - Sec. 22. NRS 293C.112 is hereby amended to read as follows:
- 293C.112 1. The governing body of a city may conduct a city election in which all ballots must be cast by mail if:
  - (a) The election is a special election; or
- (b) The election is a primary city election or general city election in which the ballot includes only:
- (1) Offices and ballot questions that may be voted on by the registered voters of only one ward; or
  - (2) One office or ballot question.
- 2. The provisions of *section 1 of this act*, NRS 293C.265 to 293C.302, inclusive, *and section 21 of this act*, 293C.304 to 293C.340, inclusive, and 293C.355 to 293C.361, inclusive, do not apply to an election conducted pursuant to this section.
- 3. For the purposes of an election conducted pursuant to this section, each precinct in the city shall be deemed to have been designated a mailing precinct pursuant to NRS 293C.342.
  - Sec. 23. NRS 293C.267 is hereby amended to read as follows:
- $293C.267\,$  1. Except as otherwise provided in subsection 2 and NRS 293C.297, at all elections held pursuant to the provisions of this chapter, the polls must open at 7 a.m. and close at 7 p.m.
- 2. [Whenever] Except as otherwise provided in this subsection, whenever at any election all the votes of the polling place, as shown on the roster, have been cast, the election board officers shall close the polls and the counting of votes must begin and continue without unnecessary delay until the count is completed. The provisions of this subsection do not apply to a polling place designated pursuant to section 21 of this act as a site for an elector of the city to register to vote on the day of the election.

- 3. Upon opening the polls, one of the election board officers shall cause a proclamation to be made so that all present may be aware of the fact that applications of registered voters to vote will be received.
- 4. No person other than election board officers engaged in receiving, preparing or depositing ballots may be permitted inside the guardrail during the time the polls are open, except by authority of the election board as necessary to keep order and carry out the provisions of this chapter.
  - Sec. 24. NRS 293C.270 is hereby amended to read as follows:
- 293C.270 1. Except as otherwise provided in this section and NRS 293C.272, if a person's name appears in the roster, [or] if the person provides an affirmation pursuant to NRS 293C.525 [,] or if the person registered to vote on the day of the city election pursuant to section 21 of this act, the person is entitled to vote and must sign his or her name in the appropriate roster or on a signature card when he or she applies to vote. The signature must be compared by an election board officer with the signature or a facsimile thereof on the person's application to register to vote or one of the forms of identification listed in subsection 2.
- 2. The forms of identification that may be used to identify a voter at the polling place are:
- (a) The card issued to the voter at the time he or she registered to vote or was deemed to be registered to vote;
  - (b) A driver's license;
  - (c) An identification card issued by the Department of Motor Vehicles;
  - (d) A military identification card; or
- (e) Any other form of identification issued by a governmental agency that contains the voter's signature and physical description or picture.
- [3. The city clerk shall prescribe a procedure, approved by the Secretary of State, to verify that the voter has not already voted in the current election.] If the person registered to vote on the day of the city election pursuant to section 21 of this act, the person must vote by casting a provisional ballot that must be verified in accordance with the procedures established pursuant to section 21 of this act.
  - Sec. 25. NRS 293C.282 is hereby amended to read as follows:
- 293C.282 1. Any registered voter who, because of a physical disability or an inability to read or write English, is unable to mark a ballot or use any voting device without assistance is entitled to assistance from a consenting person of his or her own choice, except:
  - (a) The voter's employer or an agent of the voter's employer; or
  - (b) An officer or agent of the voter's labor organization.
- 2. A person providing assistance pursuant to this section to a voter in casting a vote shall not disclose any information with respect to the casting of that ballot.
- 3. The right to assistance in casting a ballot may not be denied or impaired when the need for assistance is apparent or is known to the election board or

any member thereof or when the registered voter requests such assistance in any manner.

- 4. In addition to complying with the requirements of this section, the city clerk and election board officer shall, upon the request of a registered voter with a physical disability, make reasonable accommodations to allow the voter to vote at [his or her] a polling place [...] at which he or she is entitled to vote.
  - Sec. 26. NRS 293C.297 is hereby amended to read as follows:
- 293C.297 1. If at the hour of closing the polls there are any [registered]
- (a) Registered voters waiting to vote  $\{\cdot,\cdot\}$ ; or
- (b) If the polling place has been designated pursuant to section 21 of this act as a site for an elector of the city to register to vote on the day of an election, persons waiting to register to vote,
- the doors of the polling place must be closed after all those [voters] persons have been admitted to the polling place. Voting and, if applicable, the registration of voters must continue until those [voters] persons have voted.
- 2. The officer appointed by the chief law enforcement officer of the city shall allow other persons to enter the polling place after the doors have been closed to observe or for any other lawful purpose if there is room within the polling place and their admittance will not interfere with the voting [..] or the registration of voters.
  - Sec. 27. [NRS 293C.3568 is hereby amended to read as follows:
- 293C.3568—1. The period for early voting by personal appearance begins the third Saturday preceding a primary city election or general city election [,] and , except as otherwise provided in this subsection, extends through the Friday before election day, Sundays and federal holidays [excepted.] excluded. A city elerk may:
- (a) Extend the period for early voting by personal appearance through the Sunday before election day.
- (b) Include any federal holiday or other Sunday that falls within the period for early voting by personal appearance.
- 2. The city clerk may [:
- (a) Include any Sunday or federal holiday that falls within the period for early voting by personal appearance.
- (b) Require a permanent polling place for early voting to remain open until 8 p.m. on any Saturday that falls within the period for early voting.
- 3. A permanent polling place for early voting must remain open:
- (a) On Monday through Friday:
  - (1) During the first week of early voting, from 8 a.m. until 6 p.m.
- (2) During the second-week of early voting, from 8 a.m. until 6 p.m., or until 8 p.m. if the city clerk so requires.
- (b) On any Saturday that falls within the period for early voting, for at leas 4 hours between 10 a.m. and 6 p.m.

- (c) If the city clerk extends the period for early voting by personal appearance pursuant to subsection 1, on the Sunday before election day for at least 4 hours between 10 a.m. and 6 p.m.
- (d) If the city clerk includes [a] any other Sunday that falls within the period for early voting [pursuant to subsection 2,], on that Sunday during such hours as the city clerk may establish.] (Deleted by amendment.)
  - Sec. 27.5. NRS 293C.387 is hereby amended to read as follows:
- 293C.387 1. The election returns from a special election, primary city election or general city election must be filed with the city clerk, who shall immediately place the returns in a safe or vault designated by the city clerk. No person may handle, inspect or in any manner interfere with the returns until they are canvassed by the mayor and the governing body of the city.
- 2. After the governing body of a city receives the returns from all the precincts and districts in the city, it shall meet with the mayor to canvass the returns. The canvass must be completed on or before the [sixth-working] 10th day following the election.
- 3. In completing the canvass of the returns, the governing body of the city and the mayor shall:
  - (a) Note separately any clerical errors discovered; and
- (b) Take account of the changes resulting from the discovery, so that the result declared represents the true vote cast.
- 4. After the canvass is completed, the governing body of the city and mayor shall declare the result of the canvass.
- 5. The city clerk shall enter upon the records of the governing body of the city an abstract of the result. The abstract must be prepared in the manner prescribed by regulations adopted by the Secretary of State and must contain the number of votes cast for each candidate.
  - 6. After the abstract is entered, the:
- (a) City clerk shall seal the election returns, maintain them in a vault for at least 22 months and give no person access to them during that period, unless access is ordered by a court of competent jurisdiction or by the governing body of the city.
- (b) Governing body of the city shall, by an order made and entered in the minutes of its proceedings, cause the city clerk to:
  - (1) Certify the abstract;
  - (2) Make a copy of the certified abstract;
- (3) Make a mechanized report of the abstract in compliance with regulations adopted by the Secretary of State;
- (4) Transmit a copy of the certified abstract and the mechanized report of the abstract to the Secretary of State within 7 working days after the election; and
- (5) Transmit on paper or by electronic means to each public library in the city, or post on a website maintained by the city or the city clerk on the Internet or its successor, if any, a copy of the certified abstract within 30 days after the election.

- 7. After the abstract of the results from a:
- (a) Primary city election has been certified, the city clerk shall certify the name of each person nominated and the name of the office for which the person is nominated.
  - (b) General city election has been certified, the city clerk shall:
- (1) Issue under his or her hand and official seal to each person elected a certificate of election; and
- (2) Deliver the certificate to the persons elected upon their application at the office of the city clerk.
- 8. The officers elected to the governing body of the city qualify and enter upon the discharge of their respective duties on the first regular meeting of that body next succeeding that in which the canvass of returns was made pursuant to subsection 2.
  - Sec. 28. NRS 293C.527 is hereby amended to read as follows:
- 293C.527 1. Except as otherwise provided in NRS 293.502, 293D.230 and 293D.300:
- (a) For a primary city election or general city election, or a recall or special election that is held on the same day as a primary city election or general city election, the last day to register to vote:
- (1) By mail is the fourth Tuesday preceding the primary city election or general city election.
- (2) By appearing in person at the office of the city clerk or, if open, a municipal facility designated pursuant to NRS 293C.520, is the third Tuesday preceding the primary city election or general city election.
- (3) By computer, if the county clerk of the county in which the city is located has established a system pursuant to NRS 293.506 for using a computer to register voters and:
- (I) The governing body of the city has provided for early voting by personal appearance pursuant to paragraph (b) of subsection 2 of NRS 293C.110, is the Thursday preceding the first day of the period for early voting.
- (II) The governing body of the city has not provided for early voting by personal appearance pursuant to paragraph (b) of subsection 2 of NRS 293C.110, is the third Tuesday preceding any primary city election or general city election.
- (b) If a recall or special election is not held on the same day as a primary city election or general city election, the last day to register to vote for the recall or special election by any means is the third Saturday preceding the recall or special election.
- 2. Except as otherwise provided in section 21 of this act, after the deadlines for the close of registration for a primary city election or general city election set forth in subsection 1, no person may register to vote for the election.
- 3. For a primary city election or special city election, the office of the city clerk must be open until 7 p.m. during the last 2 days on which a person may

register to vote in person [.] pursuant to subparagraph (2) of paragraph (a) of subsection 1. In a city whose population is less than 25,000, the office of the city clerk may close at 5 p.m. if approved by the governing body of the city.

- [3.] 4. For a general *city* election:
- (a) In a city whose population is less than 25,000, the office of the city clerk must be open until 7 p.m. during the last 2 days on which a person may register to vote in person  $\Box$  pursuant to subparagraph (2) of paragraph (a) of subsection 1. The office of the city clerk may close at 5 p.m. if approved by the governing body of the city.
- (b) In a city whose population is 25,000 or more, the office of the city clerk must be open during the last 4 days on which a person may register to vote in person [,] pursuant to subparagraph (2) of paragraph (a) of subsection 1, according to the following schedule:
  - (1) On weekdays until 9 p.m.; and
  - (2) A minimum of 8 hours on Saturdays, Sundays and legal holidays.
- [4.] 5. Except for a special election held pursuant to chapter 306 or 350 of NRS:
- (a) The city clerk of each city shall cause a notice signed by him or her to be published in a newspaper having a general circulation in the city indicating:
  - (1) The day and time that registration will be closed; and
- (2) If the city clerk has designated a municipal facility pursuant to NRS 293C.520, the location of that facility.
- → If no newspaper is of general circulation in that city, the publication may be made in a newspaper of general circulation in the nearest city in this State.
- (b) The notice must be published once each week for 4 consecutive weeks next preceding the close of registration for any election.
- [5.] 6. A municipal facility designated pursuant to NRS 293C.520 may be open during the periods described in this section for such hours of operation as the city clerk may determine, as set forth in subsection 3 of NRS 293C.520.
  - Sec. 29. NRS 293C.535 is hereby amended to read as follows:
- 293C.535 1. Except as otherwise provided by special charter, registration of electors in incorporated cities must be accomplished in the manner provided in this chapter.
- 2. The county clerk shall use the statewide voter registration list to prepare for the city clerk of each incorporated city within the county the roster of all [electors] registered voters eligible to vote at a regular or special city election.
- 3. The county clerk shall prepare for each polling place designated pursuant to section 21 of this act as a site for an elector of the city to register to vote, a roster designated for electors who register to vote on the day of the city election pursuant to that section.
- 4. The [rosters] roster required pursuant to subsection 2 must be prepared [, one] for each ward or other voting district within each incorporated city. The entries in the roster must be arranged alphabetically with the surnames first.
- [4.] 5. The county clerk shall keep duplicate originals or copies of the applications to register to vote in the county clerk's office.

- Sec. 30. NRS 293C.715 is hereby amended to read as follows:
- 293C.715 1. If a city clerk maintains a website on the Internet for information relating to elections, the website must contain public information maintained, collected or compiled by the city clerk that relates to elections, which must include, without limitation:
- (a) The locations of polling places for casting a ballot on election day in such a form that a registered voter may search the list to determine the location of the polling place at which the registered voter is required to cast a ballot; fand!
- (b) The location of every polling place designated pursuant to section 21 of this act as a site for an elector to register to vote on election day; and
- (c) The abstract of votes required to be posted on a website pursuant to the provisions of NRS 293C.387.
- 2. The abstract of votes required to be maintained on the website pursuant to <del>[paragraph (b) of]</del> subsection 1 must be maintained in such a format as to permit the searching of the abstract of votes for specific information.
- 3. If the information required to be maintained by a city clerk pursuant to subsection 1 may be obtained by the public from a website on the Internet maintained by the Secretary of State, a county clerk or another city clerk, the city clerk may provide a hyperlink to that website to comply with the provisions of subsection 1 with regard to that information.
  - Sec. 31. NRS 293C.720 is hereby amended to read as follows:
  - 293C.720 Each city clerk is encouraged to:
- 1. Not later than the earlier date of the first notice provided pursuant to subsection [4] 5 of NRS 293.560 or NRS 293C.187, notify the public, through means designed to reach members of the public who are elderly or disabled, of the provisions of NRS 293C.281, 293C.282, 293C.310, 293C.317 and 293C.318.
- 2. Provide in alternative audio and visual formats information concerning elections, information concerning how to preregister or register to vote and information concerning the manner of voting for use by a person who is elderly or disabled, including, without limitation, providing such information through a telecommunications device that is accessible to a person who is deaf.
- 3. Not later than 5 working days after receiving the request of a person who is elderly or disabled, provide to the person, in a format that can be used by the person, any requested material that is:
  - (a) Related to elections; and
  - (b) Made available by the city clerk to the public in printed form.
  - Sec. 32. NRS 349.017 is hereby amended to read as follows:
- 349.017 1. If the bond question is submitted at a general election, no notice of registration of electors is required other than that required by the laws for a general election.
- 2. If the bond question is submitted at a special election, the clerk of each county shall cause to be published, at least once a week for 2 consecutive weeks by two weekly insertions a week apart, the first publication to be not

more than 50 days nor less than 42 days next preceding the election, in a newspaper published within the county, if any is so published, and having a general circulation therein, a notice signed by him or her to the effect that registration for the special election will be closed on a date and time designated therein, as provided in this section.

- 3. Except as otherwise provided in subsection 4, the office of the county clerk in each county of this State must be open for such a special election, from 9 a.m. to 12 m. and 1 p.m. to 5 p.m. on Mondays through Fridays, with Saturdays, Sundays and legal holidays excepted, for the registration of any qualified elector.
- 4. The office of the county clerk must be open during the last days of registration as provided in subsection [2] 3 of NRS 293.560.
- 5. The office of the county clerk must be open for registration of voters for such a special election up to but excluding the 30th day next preceding that election and during regular office hours.
- Sec. 33. Section 16 of the Boulder City Charter is hereby amended to read as follows:

Section 16. Induction of Council into office; meetings of Council.

- 1. The City Council shall meet within [ten-days] the time set forth in NRS 293C.387 after each city primary election and each city general election specified in Article IX, to canvass the returns and [to] declare the results. All newly elected or reelected Mayor or Council Members shall be inducted into office at the next regular Council meeting following certification of the applicable city general election results. Immediately following such induction, the Mayor pro tem shall be designated as provided in section 7. Thereafter, the Council shall meet regularly at such times as it shall set by resolution from time to time, but not less frequently than once each month. (Add. 13; Amd. 1; 6-2-1987; Amd. 2; 6-4-1991; Add. 17; Amd. 1; 11-5-1996; Add. 24; Amd. 1; 6-3-2003)
- A. (Add. 3; Amd. 2; 5-2-1967; Repealed by Add. 15; Amd. 1; 6-4-1991)
- 2. It is the intent of this Charter that deliberations and actions of the Council be conducted openly. All meetings of the City Council shall be in accordance with chapter 241 of the Nevada Revised Statutes. (Add. 10; Amd. 1; 6-2-1981)
- 3. Any emergency meeting of the City Council, as defined by chapter 241, shall be as provided therein, and in addition:
- (a) An emergency meeting may be called by the Mayor or upon written notice issued by a majority of the Council.
- (b) Prior notice of such an emergency meeting shall be given to all members of the City Council. (Add. 10; Amd. 1; 6-2-1981)
- Sec. 34. Section 5.100 of the Charter of the City of Caliente, being chapter 31, Statutes of Nevada 1971, as amended by chapter 185, Statutes of Nevada 2007, at page 627, is hereby amended to read as follows:

- Sec. 5.100 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
- 1. The election returns from any municipal election shall be filed with the City Clerk, who shall immediately place such returns in a safe or vault, and no person shall be permitted to handle, inspect or in any manner interfere with such returns until canvassed by the City Council.
- 2. The City Council shall meet within [6 working days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns shall then be sealed and kept by the City Clerk for 6 months, and no person shall have access thereto except on order of a court of competent jurisdiction or by order of the City Council.
- 3. The City Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers so elected shall qualify and enter upon the discharge of their respective duties on the first Monday in July next following their election.
- 4. If any election should result in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie by lot. The Clerk shall then issue to the winner a certificate of election.
- Sec. 35. Section 5.090 of the Charter of the City of Carlin, being chapter 344, Statutes of Nevada 1971, as last amended by chapter 185, Statutes of Nevada 2007, at page 628, is hereby amended to read as follows:
  - Sec. 5.090 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
  - 1. The election returns from any municipal election shall be filed with the City Clerk, who shall immediately place such returns in a safe or vault, and no person is permitted to handle, inspect or in any manner interfere with such returns until canvassed by the Board of Council Members.
  - 2. The Board of Council Members shall meet [on or before the sixth working day] within the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 6 months, and no person shall have access thereto except on order of a court of competent jurisdiction or by order of the Board of Council Members.
  - 3. The City Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers so elected shall qualify and enter upon the discharge of their respective duties on the first Monday in:
  - (a) July next following their election for those officers elected in June 2007.
  - (b) January next following their election for those officers elected in November 2008 and November of every even-numbered year thereafter.

- 4. If any election should result in a tie, the Board of Council Members shall summon the candidates who received the tie vote and determine the tie by lot. The Clerk shall then issue to the winner a certificate of election.
- Sec. 36. Section 5.100 of the Charter of Carson City, being chapter 213, Statutes of Nevada 1969, as amended by chapter 189, Statutes of Nevada 1977, at page 354, is hereby amended to read as follows:
  - Sec. 5.100 Election returns; canvass; certificates of election; entry of officers upon duties.
  - 1. The election returns from any special, primary or general municipal election shall be filed with the Clerk, who shall immediately place such returns in a safe or vault, and no person shall be permitted to handle, inspect or in any manner interfere with such returns until canvassed by the Board.
  - 2. The Board shall meet within [10 days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns shall then be sealed and kept by the Clerk for 6 months and no person shall have access thereto except on order of a court of competent jurisdiction or by order of the Board.
  - 3. The Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers so elected shall qualify and enter upon the discharge of their respective duties on the 1st Monday in January next following their election.
- Sec. 37. Section 5.090 of the Charter of the City of Elko, being chapter 276, Statutes of Nevada 1971, as last amended by chapter 231, Statutes of Nevada 2011, at page 1003, is hereby amended to read as follows:
  - Sec. 5.090 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
  - 1. The election returns from a municipal election must be filed with the City Clerk, who shall immediately place the returns in a safe or vault. No person may handle, inspect or in any manner interfere with the returns until the returns are canvassed by the City Council.
  - 2. The City Council shall meet within [6 working days] the time set forth in NRS 293C.387 after an election and canvass the returns and declare the result. The election returns must be sealed and kept by the City Clerk for 2 years, and no person may have access thereto except on order of a court of competent jurisdiction or by order of the City Council.
  - 3. The City Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers so elected shall qualify and enter upon the discharge of their respective duties on the first Monday in:
  - (a) If the officer is elected pursuant to subsection 1 or 2 of section 5.010, July next following his or her election.

- (b) If the officer is elected pursuant to subsection 3 or 4 of section 5.010, January next following his or her election.
- 4. If any election should result in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie by lot. The Clerk shall then issue to the winner a certificate of election.
- Sec. 38. Section 5.100 of the Charter of the City of Henderson, being chapter 266, Statutes of Nevada 1971, as last amended by chapter 266, Statutes of Nevada 2013, at page 1216, is hereby amended to read as follows:
  - Sec. 5.100 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
  - 1. The election returns from any special, primary or general municipal election must be filed with the City Clerk, who shall immediately place the returns in a safe or vault, and no person may handle, inspect or in any manner interfere with the returns until canvassed by the City Council.
  - 2. The City Council shall meet [at any time] within [10 days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 6 months. No person may have access to the returns except on order of a court of competent jurisdiction or by order of the City Council.
  - 3. The City Clerk, under his or her hand and official seal, shall issue to each person elected a certificate of election. Except as otherwise provided in section 1.070, the officers so elected shall qualify and enter upon the discharge of their respective duties at the second regular meeting of the City Council held in June of the year of the general municipal election.
  - 4. If any election results in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie by lot. The City Clerk shall then issue to the winner a certificate of election.
- Sec. 39. Section 5.100 of the Charter of the City of Las Vegas, being chapter 517, Statutes of Nevada 1983, as amended by chapter 193, Statutes of Nevada 1991, at page 364, is hereby amended to read as follows:
  - Sec. 5.100 Election returns; canvass; declaration of results; certificates of election; entry of officers upon duties; procedure for tied vote.
  - 1. The returns of any special, primary or general municipal election must be filed with the City Clerk, who shall immediately place those returns in a safe or vault, and no person may be permitted to handle, inspect or in any manner interfere with those returns until they have been canvassed by the City Council.
  - 2. The City Council shall meet within [10 days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 6 months, and no person may have access to the

returns except on order of a court of competent jurisdiction or by order of the City Council.

- 3. The City Clerk, under his or her hand and official seal, shall issue to each person who is declared to be elected a certificate of election. The officers who have been elected shall qualify and enter upon the discharge of their respective duties on the day of the first regular meeting of the City Council next succeeding the meeting at which the canvass of the returns is made.
- 4. If the election for any office results in a tie, the City Council shall summon the candidates who received the equal number of votes and determine the tie by lot. The Clerk shall then issue to the winner a certificate of election.
- Sec. 40. Section 5.100 of the Charter of the City of Mesquite, being chapter 325, Statutes of Nevada 2017, at page 1887, is hereby amended to read as follows:
  - Sec. 5.100 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
  - 1. The election returns from any special, primary or general municipal election must be filed with the City Clerk, who shall immediately place the returns in a safe or vault, and no person may handle, inspect or in any manner interfere with the returns until canvassed by the City Council.
  - 2. The City Council shall meet [at any time] within [10 days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 6 months. No person may have access to the returns except on order of a court of competent jurisdiction or by order of the City Council.
  - 3. The City Clerk, under his or her hand and official seal, shall issue to each person elected a certificate of election. Except as otherwise provided in section 1.060, the officers so elected shall qualify and enter upon the discharge of their respective duties at the first meeting of the City Council held in December of the year of the general municipal election.
  - 4. If any election results in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie by lot. The City Clerk shall then issue to the winner a certificate of election.
- Sec. 41. Section 5.080 of the Charter of the City of North Las Vegas, being chapter 573, Statutes of Nevada 1971, as last amended by chapter 465, Statutes of Nevada 1985, at page 1440, is hereby amended to read as follows:
  - Sec. 5.080 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
  - 1. The election returns from any special, primary or general municipal election shall be filed with the City Clerk, who shall immediately place the returns in a safe or vault, and no person may be

permitted to handle, inspect or in any manner interfere with the returns until canvassed by the City Council.

- 2. The City Council shall meet [at any time] within [16 days] the time set forth in NRS 293C.387 after any election and [shall] canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 6 months, and no person may have access thereto except on order of a court of competent jurisdiction or by order of the City Council.
- 3. The City Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers so elected shall qualify and enter upon the discharge of their respective duties on the 1st day of July next following their election.
- 4. If any election should result in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie by lot. The Clerk shall then issue to the winner a certificate of election.
- Sec. 42. Section 5.100 of the Charter of the City of Reno, being chapter 662, Statutes of Nevada 1971, as last amended by chapter 349, Statutes of Nevada 2013, at page 1830, is hereby amended to read as follows:
  - Sec. 5.100 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
  - 1. The election returns from any special, primary or general election must be filed with the City Clerk, who shall immediately place those returns in a safe or vault, and no person may handle, inspect or in any manner interfere with those returns until canvassed by the City Council.
  - 2. The City Council and City Manager shall meet within [10 days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 6 months, and no person may have access thereto except on order of a court of competent jurisdiction or by order of the City Council.
  - 3. The City Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers elected shall qualify and enter upon the discharge of their respective duties at the first regular City Council meeting following their election.
  - 4. If any election results in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie as provided in this subsection. The City Clerk shall provide and open in the presence of the candidates who received the tie vote an unused 52-card deck of playing cards, removing any jokers and blank cards. The City Clerk shall shuffle the cards thoroughly and present the shuffled deck to the City Manager, or to the person designated by the City Manager for this purpose. One of the candidates who received the tie vote shall then draw one card from the deck, and the City Clerk shall

record the suit and number of the card. The card then must be returned to the deck, and the City Clerk shall shuffle the cards thoroughly and present the shuffled deck to the City Manager, or to the person designated by the City Manager for this purpose, and another of the candidates who received the tie vote shall draw one card from the deck. This process must be repeated until each of the candidates who received the tie vote has drawn one card from the deck and the result of each draw has been recorded. The candidate who draws the high card shall be deemed the winner of the election. For the purposes of this subsection, aces are high and twos are low. If the candidates draw cards of otherwise equal value, the card of the higher suit is the high card. Spades are highest, followed in descending order by hearts, clubs and diamonds. The City Clerk shall issue to the winner a certificate of election.

Sec. 43. Section 5.100 of the Charter of the City of Sparks, being chapter 470, Statutes of Nevada 1975, as last amended by chapter 113, Statutes of Nevada 2017, at page 488, is hereby amended to read as follows:

Sec. 5.100 Election returns: Canvass; certificates of election; entry of officers upon duties; tie vote procedure.

- 1. The election returns from any election must be filed with the City Clerk, who shall immediately place the returns in a safe or vault. No person may handle, inspect or in any manner interfere with the returns until canvassed by the City Council.
- 2. The City Council shall meet within [10 days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 22 months, and no person may have access to them except on order of a court of competent jurisdiction or by order of the City Council.
- 3. The City Clerk, under his or her hand and official seal, shall issue a certificate of election to each person elected. Except as otherwise provided in subsection 3 of section 5.020, the officers elected shall qualify and enter upon the discharge of their respective duties at the first regular City Council meeting following their election.
- 4. If any election results in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie by lot. The City Clerk shall then issue to the winner a certificate of election.
- Sec. 44. Section 5.090 of the Charter of the City of Wells, being chapter 275, Statutes of Nevada 1971, as last amended by chapter 185, Statutes of Nevada 2007, at page 629, is hereby amended to read as follows:

Sec. 5.090 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.

1. The election returns from any municipal election must be filed with the City Clerk, who shall immediately place such returns in a safe or vault, and no person is permitted to handle, inspect or in any manner

interfere with such returns until canvassed by the Board of Council Members.

- 2. The Board of Council Members shall meet [on or before the sixth working day] within the time set forth in NRS 293C.387 after any election and canvass the returns and declare the result. The election returns must then be sealed and kept by the City Clerk for 6 months, and no person shall have access thereto except on order of a court of competent jurisdiction or by order of the Board of Council Members.
- 3. The City Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers so elected shall qualify and enter upon the discharge of their respective duties on the first Monday in:
- (a) July next following their election for those officers elected in June 2007 or 2009.
- (b) January next following their election for those officers elected in November 2010 and every even-numbered year thereafter.
- 4. If any election should result in a tie, the Board of Council Members shall summon the candidates who received the tie vote and determine the tie by lot. The Clerk shall then issue to the winner a certificate of election.
- Sec. 45. Section 5.090 of the Charter of the City of Yerington, being chapter 465, Statutes of Nevada 1971, at page 913, is hereby amended to read as follows:
  - Sec. 5.090 Election returns; canvass; certificates of election; entry of officers upon duties; tie vote procedure.
  - 1. The election returns from any municipal election shall be filed with the City Clerk, who shall immediately place such returns in a safe or vault, and no person shall be permitted to handle, inspect or in any manner interfere with such returns until canvassed by the City Council.
  - 2. The City Council shall meet within [10 days] the time set forth in NRS 293C.387 after any election and canvass the returns and declare the results. The election returns shall then be sealed and kept by the City Clerk for 6 months, and no person shall have access thereto except on order of a court of competent jurisdiction or by order of the City Council.
  - 3. The City Clerk, under his or her hand and official seal, shall issue to each person declared to be elected a certificate of election. The officers so elected shall qualify and enter upon the discharge of their respective duties on the 1st Monday in July next following their election.
  - 4. If any election should result in a tie, the City Council shall summon the candidates who received the tie vote and determine the tie by lot. The Clerk shall then issue to the winner a certificate of election.

- [Sec. 33.] Sec. 46. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.
  - Sec. 47. NRS 293.082 is hereby repealed.
  - Sec. 48. This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting any regulations, passing any ordinances and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and
- 2. On January 1, 2020, for all other purposes.

## TEXT OF REPEALED SECTION

293.082 "Provisional ballot" defined. "Provisional ballot" means a ballot voted by a person pursuant to NRS 293.3081 to 293.3086, inclusive.

Senator Ohrenschall moved the adoption of the amendment.

Remarks by Senator Ohrenschall.

Amendment No. 533 to Senate Bill No. 123 provides that each voter who registers to vote in person on the day of the election must cast his or her vote using a "full" provisional ballot that includes all offices and ballot questions on which he or she is entitled to vote. The amendment provides that the cities and counties, as approved by the Secretary of State, must set forth procedures for verifying that a voter was entitled to register to vote and cast his or her vote on Election Day. The amendment deletes provisions that would have authorized county and city clerks to extend the early-voting period through the Sunday before Election Day. The amendment clarifies the time period during which the county clerk must provide a voter registration card to a preregistered voter who becomes eligible to vote on his or her 18th birthday.

Finally, the amendment extends, from six business days after the election to ten days after the election, the date on which local election officials must conduct the canvass of the vote. Subsequent dates are adjusted in the *Nevada Revised Statutes* to accommodate for this change.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and to the Committee on Finance.

Senate Bill No. 151.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 77.

SUMMARY—Revises provisions related to certain proceedings concerning property. (BDR 3-516)

AN ACT relating to property; <u>removing and revising certain provisions</u> relating to actions for summary eviction; <u>reorganizing procedures for summary eviction of a tenant of a commercial premise;</u> revising provisions governing notices to surrender possession of real property or a mobile home; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for a summary eviction procedure when the tenant of any dwelling, apartment, mobile home, recreational vehicle or commercial premises with periodic rent due by the month or a shorter period defaults in

the payment of the rent. (NRS 40.253) Section 1.7 of this bill removes the provisions governing the summary eviction procedure for a tenant of a commercial premise, thereby making section 1.7 solely applicable to summary eviction for the tenant of any dwelling, apartment, mobile home or recreational vehicle. Section 1 of this bill reorganizes the summary eviction procedure for a tenant of a commercial premise.

\_Existing law requires the landlord or the landlord's agent to serve a notice in writing informing the tenant that he or she must pay the rent or surrender the premises at or before the fifth full day following the day of service. (NRS 40.253) Section [11] 1.7 of this bill increases the period of time that a tenant has to act after receiving such notice from 5 full days to [10] 7 judicial days.

Existing law authorizes a court, in an action for summary eviction, to order the removal of a tenant in default for rental payments. Existing law requires a sheriff or constable to remove such a tenant within 24 hours after the court issues such an order. (NRS 40.253) Section [1 increases] 1.7 revises the period of time before the removal of the tenant [from within] to not earlier than 24 hours and not more than 36 hours after the court order. [to not earlier than 48 hours after the court order. Section 5 of this bill makes conforming changes for the summary eviction of an unlawful or unauthorized occupant of certain rental properties.]

Existing law authorizes a landlord to utilize procedures for summary eviction when a tenant of a dwelling unit, part of a low-rent housing program operated by a public housing authority, a mobile home or a recreational vehicle is guilty of certain unlawful detainers. (NRS 40.254) Section 2 of this bill eliminates the ability of a landlord of a low-rent housing program operated by a public housing authority to utilize such procedures for summary eviction. Section 2 also provides that the term "dwelling unit" does not include a low-income unit and defines "low-income unit" for the purpose of section 2.

Existing law provides that a person who holds over and continues in possession of real property or a mobile home which has been foreclosed or sold under certain circumstances may be removed pursuant to certain proceedings after a 3-day notice to surrender has been served. (NRS 40.255) Section 3 of this bill [increases the period of time provided by such a notice to surrender to 30 days.] additionally provides that an existing lease of residential property will remain in effect if the property is transferred or sold to a new owner under certain circumstances. Section 3 provides for the duties and obligations of the tenant and the new owner.

Existing law requires a tenant to be served with certain notices to surrender. Existing law authorizes such service: (1) by delivering a copy of the notice to the tenant personally, in the presence of a witness, or by a sheriff, constable or certain other persons; (2) by leaving the notice with a person who meets certain qualifications at the place of residence or business of the tenant; or (3) by posting the notice on the rental property, delivering the notice to the person living there, if possible, and mailing a copy to the tenant. (NRS 40.280)

Section 4 of this bill [removes the existing statutory scheme for service of notices to surrender and instead requires such notices to be served pursuant to the Nevada Rules of Civil Procedure or the Justice Court Rules of Civil Procedure.] provides that a notice to surrender the premises must be served by a sheriff, a constable, certain persons licensed as a process server or the agent of an attorney under certain circumstances. Sections [6 and 7] 4.5-7.5 of this bill make conforming changes.

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

Section 1. Chapter 40 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. In addition to the remedy provided in NRS 40.2512 and 40.290 to 40.420, inclusive, when the tenant of any commercial premises with periodic rent reserved by the month or any shorter period is in default in payment of the rent, the landlord or the landlord's agent, unless otherwise agreed in writing, may serve or have served a notice in writing, requiring in the alternative the payment of the rent or the surrender of the premises:
- (a) At or before noon of the fifth full day following the day of service; or
- (b) If the landlord chooses not to proceed in the manner set forth in paragraph (a) and the rent is reserved by a period of 1 week or less and the tenancy has not continued for more than 45 days, at or before noon of the fourth full day following the day of service.
- → As used in this subsection, "day of service" means the day the landlord or the landlord's agent personally delivers the notice to the tenant. If personal service was not so delivered, the "day of service" means the day the notice is delivered, after posting and mailing pursuant to subsection 2, to the sheriff or constable for service if the request for service is made before noon. If the request for service by the sheriff or constable is made after noon, the "day of service" shall be deemed to be the day next following the day that the request is made for service by the sheriff or constable.
- 2. A landlord or the landlord's agent who serves a notice to a tenant pursuant to paragraph (b) of subsection 1 shall attempt to deliver a copy of the notice to the tenant personally, in the presence of a witness. If service is accomplished by the sheriff, constable or a person who is licensed as a process server pursuant to chapter 648 of NRS, the presence of a witness is not required. If the notice cannot be delivered in person, the landlord or the landlord's agent:
- (a) Shall post a copy of the notice in a conspicuous place on the premises and mail the notice by overnight mail; and
- (b) After the notice has been posted and mailed, may deliver the notice to the sheriff or constable for service in the manner set forth in subsection 1 of NRS 40.280. The sheriff or constable shall not accept the notice for service unless it is accompanied by written evidence, signed by the tenant when the tenant took possession of the premises, that the landlord or the landlord's agent informed the tenant of the provisions of this section which set forth the

lawful procedures for eviction from a short-term tenancy. Upon acceptance, the sheriff or constable shall serve the notice within 48 hours after the request for service was made by the landlord or the landlord's agent.

- 3. A notice served pursuant to subsection 1 or 2 must:
- (a) Identify the court that has jurisdiction over the matter; and
- (b) Advise the tenant:
- (1) Of the tenant's right to contest the matter by filing, within the time specified in subsection 1 for the payment of the rent or surrender of the premises, an affidavit with the court that has jurisdiction over the matter stating that the tenant has tendered payment or is not in default in the payment of the rent; and
- (2) That if the court determines that the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant, directing the sheriff or constable of the county to remove the tenant within 24 hours after receipt of the order.
- 4. If the tenant files an affidavit pursuant to paragraph (b) of subsection 3 at or before the time stated in the notice, the landlord or the landlord's agent, after receipt of a file-stamped copy of the affidavit, shall not provide for the nonadmittance of the tenant to the premises by locking or otherwise.
- 5. Upon noncompliance of the tenant with a notice served pursuant to subsection 1 or 2:
- (a) The landlord or the landlord's agent may apply by affidavit of complaint for eviction to the justice court of the township in which the commercial premises is located or to the district court of the county in which the commercial premises is located, whichever has jurisdiction over the matter. The court may thereupon issue an order directing the sheriff or constable of the county to remove the tenant within 24 hours after receipt of the order. The affidavit must state or contain:
  - (1) The date the tenancy commenced.
  - (2) The amount of periodic rent reserved.
- (3) The amounts of any cleaning, security or rent deposits paid in advance, in excess of the first month's rent, by the tenant.
  - (4) The date the rental payments became delinquent.
- (5) The length of time the tenant has remained in possession without paying rent.
  - (6) The amount of rent claimed due and delinquent.
- (7) A statement that the written notice was served on the tenant pursuant to subsection 1 or 2 or in accordance with NRS 40.280.
  - (8) A copy of the written notice served on the tenant.
  - (9) A copy of the signed written rental agreement, if any.
- (b) Except when the tenant has timely filed an affidavit described in paragraph (b) of subsection 3 and a file-stamped copy of the affidavit has been received by the landlord or the landlord's agent, the landlord or the landlord's

agent may, in a peaceable manner, provide for the nonadmittance of the tenant to the premises by locking or otherwise.

- 6. Upon the filing by the tenant of an affidavit pursuant to paragraph (b) of subsection 3, regardless of the information contained in the affidavit or the filing by the landlord of an affidavit pursuant to paragraph (b) of subsection 5, the justice court or the district court shall hold a hearing, after service of notice of the hearing upon the parties, to determine the truthfulness and sufficiency of any affidavit or notice provided for in this section. If the court determines that there is no legal defense as to the alleged unlawful detainer and the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant. If the court determines that there is a legal defense as to the alleged unlawful detainer, the court shall refuse to grant either party any relief and, except as otherwise provided in this subsection, shall require that any further proceedings be conducted pursuant to NRS 40.290 to 40.420, inclusive. The issuance of a summary order for removal of the tenant does not preclude an action by the tenant for any damages or other relief to which the tenant may be entitled. If the alleged unlawful detainer was based upon subsection 5 of NRS 40.2514, the refusal by the court to grant relief does not preclude the landlord thereafter from pursuing an action for unlawful detainer in accordance with NRS 40.251.
- 7. A tenant may, upon payment of the appropriate fees relating to the filing and service of a motion, file a motion with the court, on a form provided by the clerk of the court, to dispute the amount of the costs, if any, claimed by the landlord pursuant to NRS 118C.230 for the inventory, moving and storage of personal property left on the premises. The motion must be filed within 20 days after the summary order for removal of the tenant or the abandonment of the premises by the tenant, or within 20 days after:
- (a) The tenant has vacated or been removed from the premises; and
- (b) A copy of those charges has been requested by or provided to the tenant, → whichever is later.
- 8. Upon the filing of a motion pursuant to subsection 7, the court shall schedule a hearing on the motion. The hearing must be held within 10 days after the filing of the motion. The court shall affix the date of the hearing to the motion and order a copy served upon the landlord by the sheriff, constable or other process server. At the hearing, the court may:
- (a) Determine the costs due, if any, claimed by the landlord pursuant to 118C.230 and any accumulating daily costs; and
- (b) Order the release of the tenant's property upon the payment of the costs determined to be due or if no charges are determined to be due.
- 9. A landlord shall not refuse to accept rent from a tenant that is submitted after the landlord or the landlord's agent has served or had served a notice pursuant to subsection 1 if the refusal is based on the fact that the tenant has not paid collection fees, attorney's fees or other costs other than rent, a reasonable charge for late payments of rent or dishonored checks.

## Sec. 1.3. NRS 40.215 is hereby amended to read as follows:

- 40.215 As used in NRS 40.215 to 40.425, inclusive, <u>and section 1 of this act</u>, unless the context requires otherwise:
- 1. "Dwelling" or "dwelling unit" means a structure or part thereof that is occupied, or designed or intended for occupancy, as a residence or sleeping place by one person who maintains a household or by two or more persons who maintain a common household.
- 2. "Landlord's agent" means a person who is hired or authorized by the landlord or owner of real property to manage the property or dwelling unit, to enter into a rental agreement on behalf of the landlord or owner of the property or who serves as a person within this State who is authorized to act for and on behalf of the landlord or owner for the purposes of service of process or receiving notices and demands. A landlord's agent may also include a successor landlord or a property manager as defined in NRS 645.0195.
- 3. "Mobile home" means every vehicle, including equipment, which is constructed, reconstructed or added to in such a way as to have an enclosed room or addition occupied by one or more persons as a residence or sleeping place and which has no foundation other than wheels, jacks, skirting or other temporary support.
- 4. "Mobile home lot" means a portion of land within a mobile home park which is rented or held out for rent to accommodate a mobile home.
- 5. "Mobile home park" or "park" means an area or tract of land where two or more mobile homes or mobile home lots are rented or held out for rent. "Mobile home park" or "park" does not include those areas or tracts of land, whether within or outside of a park, where the lots are held out for rent on a nightly basis.
  - 6. "Premises" includes a mobile home.
- 7. "Recreational vehicle" means a vehicular structure primarily designed as temporary living quarters for travel, recreational or camping use, which may be self-propelled or mounted upon or drawn by a motor vehicle.
- 8. "Recreational vehicle lot" means a portion of land within a recreational vehicle park, or a portion of land so designated within a mobile home park, which is rented or held out for rent to accommodate a recreational vehicle overnight or for less than 3 months.
- 9. "Recreational vehicle park" means an area or tract of land where lots are rented or held out for rent to accommodate a recreational vehicle overnight or for less than 3 months.
- 10. "Short-term tenancy" means a tenancy in which rent is reserved by a period of 1 week and the tenancy has not continued for more than 45 days.
- [Section 1.] Sec. 1.7. NRS 40.253 is hereby amended to read as follows:
- 40.253 1. Except as otherwise provided in subsection 10, in addition to the remedy provided in NRS 40.2512 and 40.290 to 40.420, inclusive, when the tenant of any dwelling, apartment, mobile home [5] or recreational vehicle [or commercial premises] with periodic rent reserved by the month or any

shorter period is in default in payment of the rent, the landlord or the landlord's agent, unless otherwise agreed in writing, may serve or have served a notice in writing, requiring in the alternative the payment of the rent or the surrender of the premises:

- (a) [At] On or before [noon of] 5 p.m. on the [fifth full 10th] seventh judicial day following the day of service; or
- (b) If the landlord chooses not to proceed in the manner set forth in paragraph (a) and the rent is reserved by a period of 1 week or less and the tenancy has not continued for more than 45 days, at or before noon of the fourth full day following the day of service.
- → As used in this subsection, "day of service" means the day the landlord or the landlord's agent personally delivers the notice to the tenant. If personal service was not so delivered, the "day of service" means the day the notice is delivered, after posting and mailing pursuant to subsection 2, to the sheriff or constable for service if the request for service is made before noon. If the request for service by the sheriff or constable is made after noon, the "day of service" shall be deemed to be the day next following the day that the request is made for service by the sheriff or constable.
- 2. A landlord or the landlord's agent who serves a notice to a tenant pursuant to paragraph (b) of subsection 1 shall attempt to deliver the notice in person in the manner set forth in [paragraph (a) of] subsection [1] 2 of [NRS 40.280.] section 1 of this act. If the notice cannot be delivered in person, the landlord or the landlord's agent:
- (a) Shall post a copy of the notice in a conspicuous place on the premises and mail the notice by overnight mail; and
- (b) After the notice has been posted and mailed, may deliver the notice to the sheriff or constable for service in the manner set forth in subsection 1 of NRS 40.280. The sheriff or constable shall not accept the notice for service unless it is accompanied by written evidence, signed by the tenant when the tenant took possession of the premises, that the landlord or the landlord's agent informed the tenant of the provisions of this section which set forth the lawful procedures for eviction from a short-term tenancy. Upon acceptance, the sheriff or constable shall serve the notice within 48 hours after the request for service was made by the landlord or the landlord's agent.
  - 3. A notice served pursuant to subsection 1 or 2 must:
  - (a) Identify the court that has jurisdiction over the matter; and
  - (b) Advise the tenant:
- (1) Of the tenant's right to contest the matter by filing, within the time specified in subsection 1 for the payment of the rent or surrender of the premises, an affidavit with the court that has jurisdiction over the matter stating that the tenant has tendered payment or is not in default in the payment of the rent;
- (2) That if the court determines that the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant, directing the sheriff or

constable of the county to remove tenant [within 24] not earlier than [48] 24 hours but not more than 36 hours after receipt of the order; and

- (3) That, pursuant to NRS 118A.390, a tenant may seek relief if a landlord unlawfully removes the tenant from the premises or excludes the tenant by blocking or attempting to block the tenant's entry upon the premises or willfully interrupts or causes or permits the interruption of an essential service required by the rental agreement or chapter 118A of NRS.
- 4. If the tenant files such an affidavit at or before the time stated in the notice, the landlord or the landlord's agent, after receipt of a file-stamped copy of the affidavit which was filed, shall not provide for the nonadmittance of the tenant to the premises by locking or otherwise.
  - 5. Upon noncompliance with the notice:
- (a) The landlord or the landlord's agent may apply by affidavit of complaint for eviction to the justice court of the township in which the dwelling, apartment, mobile home [1,] or recreational vehicle [or commercial premises] are located or to the district court of the county in which the dwelling, apartment, mobile home [1,] or recreational vehicle [or commercial premises] are located, whichever has jurisdiction over the matter. The court may thereupon issue an order directing the sheriff or constable of the county to remove the tenant [within 24] not earlier than [48] 24 hours but not more than 36 hours after receipt of the order. The affidavit must state or contain:
  - (1) The date the tenancy commenced.
  - (2) The amount of periodic rent reserved.
- (3) The amounts of any cleaning, security or rent deposits paid in advance, in excess of the first month's rent, by the tenant.
  - (4) The date the rental payments became delinquent.
- (5) The length of time the tenant has remained in possession without paying rent.
  - (6) The amount of rent claimed due and delinquent.
- (7) A statement that the written notice was served on the tenant in accordance with NRS 40.280.
  - (8) A copy of the written notice served on the tenant.
  - (9) A copy of the signed written rental agreement, if any.
- (b) Except when the tenant has timely filed the affidavit described in subsection 3 and a file-stamped copy of it has been received by the landlord or the landlord's agent, and except when the landlord is prohibited pursuant to NRS 118A.480, the landlord or the landlord's agent may, in a peaceable manner, provide for the nonadmittance of the tenant to the premises by locking or otherwise.
- 6. Upon the filing by the tenant of the affidavit permitted in subsection 3, regardless of the information contained in the affidavit, and the filing by the landlord of the affidavit permitted by subsection 5, the justice court or the district court shall hold a hearing, after service of notice of the hearing upon the parties, to determine the truthfulness and sufficiency of any affidavit or notice provided for in this section. If the court determines that there is no legal

defense as to the alleged unlawful detainer and the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant. If the court determines that there is a legal defense as to the alleged unlawful detainer, the court shall refuse to grant either party any relief, and, except as otherwise provided in this subsection, shall require that any further proceedings be conducted pursuant to NRS 40.290 to 40.420, inclusive. The issuance of a summary order for removal of the tenant does not preclude an action by the tenant for any damages or other relief to which the tenant may be entitled. If the alleged unlawful detainer was based upon subsection 5 of NRS 40.2514, the refusal by the court to grant relief does not preclude the landlord thereafter from pursuing an action for unlawful detainer in accordance with NRS 40.251.

- 7. The tenant may, upon payment of the appropriate fees relating to the filing and service of a motion, file a motion with the court, on a form provided by the clerk of the court, to dispute the amount of the costs, if any, claimed by the landlord pursuant to NRS 118A.460 [or 118C.230] for the inventory, moving and storage of personal property left on the premises. The motion must be filed within 20 days after the summary order for removal of the tenant or the abandonment of the premises by the tenant, or within 20 days after:
  - (a) The tenant has vacated or been removed from the premises; and
- (b) A copy of those charges has been requested by or provided to the tenant, → whichever is later.
- 8. Upon the filing of a motion pursuant to subsection 7, the court shall schedule a hearing on the motion. The hearing must be held within 10 days after the filing of the motion. The court shall affix the date of the hearing to the motion and order a copy served upon the landlord by the sheriff, constable or other process server. At the hearing, the court may:
- (a) Determine the costs, if any, claimed by the landlord pursuant to NRS 118A.460 [or 118C.230] and any accumulating daily costs; and
- (b) Order the release of the tenant's property upon the payment of the charges determined to be due or if no charges are determined to be due.
- 9. A landlord shall not refuse to accept rent from a tenant that is submitted after the landlord or the landlord's agent has served or had served a notice pursuant to subsection 1 if the refusal is based on the fact that the tenant has not paid collection fees, attorney's fees or other costs other than rent, a reasonable charge for late payments of rent or dishonored checks, or a security. As used in this subsection, "security" has the meaning ascribed to it in NRS 118A.240.
  - 10. This section does not apply to the tenant of  $\frac{1}{2}$ :
- <u>(a)</u> A mobile home lot in a mobile home park or to the tenant of a recreational vehicle lot in an area of a mobile home park in this State other than an area designated as a recreational vehicle lot pursuant to the provisions of subsection 8 of NRS  $40.215 \frac{1}{1.1}$ ; or
- (b) A low-income housing project.

- 11. As used in this section, "low-income housing project" has the meaning ascribed to it in 26 U.S.C. § 42(g).
  - Sec. 2. NRS 40.254 is hereby amended to read as follows:
- 40.254 1. Except as otherwise provided by specific statute, in addition to the remedy provided in NRS 40.290 to 40.420, inclusive, when the tenant of a dwelling unit, [part of a low rent housing program operated by a public housing authority,]\_a mobile home or a recreational vehicle is guilty of an unlawful detainer pursuant to NRS 40.250, 40.251, 40.2514 or 40.2516, the landlord or the landlord's agent may utilize the summary procedures for eviction as provided in NRS 40.253 except that written notice to surrender the premises must:
  - (a) Be given to the tenant in accordance with the provisions of NRS 40.280;
  - (b) Advise the tenant of the court that has jurisdiction over the matter; and
  - (c) Advise the tenant of the tenant's right to:
- (1) Contest the notice by filing before the court's close of business on the fifth judicial day after the day of service of the notice an affidavit with the court that has jurisdiction over the matter stating the reasons why the tenant is not guilty of an unlawful detainer; or
- (2) Request that the court stay the execution of the order for removal of the tenant or order providing for nonadmittance of the tenant for a period not exceeding 10 days pursuant to subsection 2 of NRS 70.010, stating the reasons why such a stay is warranted.
- 2. The affidavit of the landlord or the landlord's agent submitted to the justice court or the district court must state or contain:
- (a) The date when the tenancy commenced, the term of the tenancy and, if any, a copy of the rental agreement. If the rental agreement has been lost or destroyed, the landlord or the landlord's agent may attach an affidavit or declaration, signed under penalty of perjury, stating such loss or destruction.
  - (b) The date when the tenancy or rental agreement allegedly terminated.
- (c) The date when written notice to surrender was given to the tenant pursuant to the provisions of NRS 40.251, 40.2514 or 40.2516, together with any facts supporting the notice.
- (d) The date when the written notice was given, a copy of the notice and a statement that notice was served in accordance with NRS 40.280 and, if applicable, a copy of the notice of change of ownership served on the tenant pursuant to NRS 40.255 if the property has been purchased as a residential foreclosure.
  - (e) A statement that the claim for relief was authorized by law.
- 3. If the tenant is found guilty of unlawful detainer as a result of the tenant's violation of any of the provisions of NRS 453.011 to 453.552, inclusive, except NRS 453.336, the landlord is entitled to be awarded any reasonable attorney's fees incurred by the landlord or the landlord's agent as a result of a hearing, if any, held pursuant to subsection 6 of NRS 40.253 wherein the tenant contested the eviction.

- 4. For the purpose of this section, the term "dwelling unit" does not include a low-income unit. As used in this subsection, "low-income unit" has the meaning ascribed to it in 26 U.S.C. § 42.
  - Sec. 2.5. NRS 40.2545 is hereby amended to read as follows:
- 40.2545 1. In any action for summary eviction pursuant to NRS 40.253 or 40.254 [1] or section 1 of this act, the eviction case court file is sealed automatically and not open to inspection:
- (a) Upon the entry of a court order which denies or dismisses the action for summary eviction; or
- (b) Thirty-one days after the tenant has filed an affidavit described in subsection 3 of NRS 40.253 [13] or subsection 3 of section 1 of this act, if the landlord has failed to file an affidavit of complaint pursuant to subsection 5 of NRS 40.253 or subsection 5 of section 1 of this act within 30 days after the tenant filed the affidavit.
- 2. In addition to the provisions for the automatic sealing of an eviction case court file pursuant to subsection 1, the court may order the sealing of an eviction case court file:
- (a) Upon the filing of a written stipulation by the landlord and the tenant to set aside the order of eviction and seal the eviction case court file; or
- (b) Upon motion of the tenant and decision by the court if the court finds that:
- (1) The eviction should be set aside pursuant to Rule 60 of the Justice Court Rules of Civil Procedure; or
- (2) Sealing the eviction case court file is in the interests of justice and those interests are not outweighed by the public's interest in knowing about the contents of the eviction case court file, after considering, without limitation, the following factors:
- (I) Circumstances beyond the control of the tenant that led to the eviction:
- $(II)\ \, Other\ \, extenuating\ \, circumstances\ \, under\ \, which\ \, the\ \, order\ \, of\ \, eviction\ \,$  was granted; and
- (III) The amount of time that has elapsed between the granting of the order of eviction and the filing of the motion to seal the eviction case court file.
- 3. If the court orders the eviction case court file sealed pursuant to this section, all proceedings recounted in the eviction case court file shall be deemed never to have occurred.
- 4. As used in this section, "eviction case court file" means all records relating to an action for summary eviction which are maintained by the court, including, without limitation, the affidavit of complaint and any other pleadings, proof of service, findings of the court, any order made on motion as provided in Nevada Rules of Civil Procedure, Justice Court Rules of Civil Procedure and local rules of practice and all other papers, records, proceedings and evidence, including exhibits and transcript of the testimony.
  - Sec. 3. NRS 40.255 is hereby amended to read as follows:

- 40.255 1. Except as otherwise provided in subsections [2] 4 and [7] 9, in any of the following cases, a person who holds over and continues in possession of real property or a mobile home after a 3-day [30-day] written notice to surrender has been served upon the person may be removed as prescribed in NRS 40.290 to 40.420, inclusive:
- (a) Where the property or mobile home has been sold under an execution against the person, or against another person under whom the person claims, and the title under the sale has been perfected;
- (b) Where the property or mobile home has been sold upon the foreclosure of a mortgage, or under an express power of sale contained therein, executed by the person, or by another person under whom the person claims, and the title under the sale has been perfected;
- (c) Where the property or mobile home has been sold under a power of sale granted by NRS 107.080 to the trustee of a deed of trust executed by the person, or by another person under whom the person claims, and the title under such sale has been perfected; or
- (d) Where the property or mobile home has been sold by the person, or by another person under whom the person claims, and the title under the sale has been perfected.
- 2. Except as otherwise provided in subsection 4, if the property has been transferred or sold as a residential sale, absent an agreement between the new owner and the tenant to modify or terminate an existing lease:
- (a) The new owner has the rights, obligations and liabilities of the previous owner or landlord pursuant to chapter 118A of NRS under the lease or rental agreement which the previous owner or landlord entered into with the tenant or subtenant regarding the property;
- (b) The tenant or subtenant continues to have the rights, obligations and liabilities that the tenant or subtenant had pursuant to chapter 118A of NRS under the lease or rental agreement which the tenant or subtenant entered into with the previous owner or landlord regarding the property; and
- (c) Upon termination of the previous owner's interest in the property by residential transfer or sale, the previous owner shall transfer the security deposit in the manner set forth in paragraph (a) of subsection 1 of NRS 118A.244. The successor has the rights, obligations and liabilities of the former landlord as to any securities which are owed under this section or NRS 118A.242 at the time of transfer.
- 3. The new owner pursuant to subsection 2 must provide a notice to the tenant or subtenant within 30 days after the date of the transfer or sale:
- (a) Providing the contact information of the new owner to whom rent should be remitted;
- (b) Notifying the tenant or subtenant that the lease or rental agreement the tenant or subtenant entered into with the previous owner or landlord of the property continues in effect through the period of the lease term and states the amount held by the new owner for the security deposit; and

- (c) Notifying the tenant or subtenant that failure to pay rent to the new owner or comply with any other term of the agreement or applicable law constitutes a breach of the lease or rental agreement and may result in eviction proceedings, including, without limitation, proceedings conducted pursuant to NRS 40.253 and 40.254.
- \_4.\_\_If the property has been sold as a residential foreclosure, a tenant or subtenant in actual occupation of the premises, other than a person whose name appears on the mortgage or deed, who holds over and continues in possession of real property or a mobile home in any of the cases described in paragraph (b) or (c) of subsection 1 may be removed as prescribed in NRS 40.290 to 40.420, inclusive, after receiving a notice of the change of ownership of the real property or mobile home and after the expiration of a notice period beginning on the date the notice was received by the tenant or subtenant and expiring:
- (a) For all periodic tenancies with a period of less than 1 month, after not less than the number of days in the period; and
- (b) For all other periodic tenancies or tenancies at will, after not less than 60 days.
  - [3.] 5. During the notice period described in subsection [2:] 4:
- (a) The new owner has the rights, obligations and liabilities of the previous owner or landlord pursuant to chapter 118A of NRS under the lease or rental agreement which the previous owner or landlord entered into with the tenant or subtenant regarding the property; and
- (b) The tenant or subtenant continues to have the rights, obligations and liabilities that the tenant or subtenant had pursuant to chapter 118A of NRS under the lease or rental agreement which the tenant or subtenant entered into with the previous owner or landlord regarding the property.
  - $\boxed{4 + 6}$ . The notice described in subsection  $\boxed{2}$  4 must contain a statement:
- (a) Providing the contact information of the new owner to whom rent should be remitted;
- (b) Notifying the tenant or subtenant that the lease or rental agreement the tenant or subtenant entered into with the previous owner or landlord of the property continues in effect through the notice period described in subsection  $\frac{12+1}{2}$  and
- (c) Notifying the tenant or subtenant that failure to pay rent to the new owner or comply with any other term of the agreement or applicable law constitutes a breach of the lease or rental agreement and may result in eviction proceedings, including, without limitation, proceedings conducted pursuant to NRS 40.253 and 40.254.

## = 5. or section 1 of this act.

<u>7.</u> If the property has been sold as a residential foreclosure in any of the cases described in paragraph (b) or (c) of subsection 1, no person may enter a record of eviction for a tenant or subtenant who vacates a property during the notice period described in subsection 2 + 4.

- [6.] 8. If the property has been sold as a residential foreclosure in any of the cases described in paragraphs (b) or (c) of subsection 1, nothing in this section shall be deemed to prohibit:
- (a) The tenant from vacating the property at any time before the expiration of the notice period described in subsection  $\frac{\{2\}}{4}$  without any obligation to the new owner of a property purchased pursuant to a foreclosure sale or trustee's sale; or
- (b) The new owner of a property purchased pursuant to a foreclosure sale or trustee's sale from:
- (1) Negotiating a new purchase, lease or rental agreement with the tenant or subtenant; or
- (2) Offering a payment to the tenant or subtenant in exchange for vacating the premises on a date earlier than the expiration of the notice period described in subsection  $\frac{12.1}{4}$ .
- [7.] 9. This section does not apply to the tenant of a mobile home lot in a mobile home park.
- [8.] 10. As used in this section, "residential foreclosure" means the sale of a single family residence pursuant to NRS 40.430 or under a power of sale granted by NRS 107.080. As used in this subsection, "single family residence" means a structure that is comprised of not more than four units.
  - Sec. 4. NRS 40.280 is hereby amended to read as follows:
- 40.280 1. Except as otherwise provided in NRS 40.253 [+] and section 1 of this act, the notices required by NRS 40.251 to 40.260, inclusive, must be served [-:
- (a) By delivering a copy to the tenant personally, in the presence of a witness. If service is accomplished] by the sheriff, a constable, [or] a person who is licensed as a process server pursuant to chapter 648 of NRS [, the presence of a witness is not required.] or the agent of an attorney licensed to practice in this State:
- (a) By delivering a copy to the tenant personally.
- (b) If the tenant is absent from the tenant's place of residence or from the tenant's usual place of business, by leaving a copy with a person of suitable age and discretion at either place and mailing a copy to the tenant at the tenant's place of residence or place of business.
- (c) If the place of residence or business cannot be ascertained, or a person of suitable age or discretion cannot be found there, by posting a copy in a conspicuous place on the leased property, delivering a copy to a person there residing, if the person can be found, and mailing a copy to the tenant at the place where the leased property is situated. [pursuant to the Nevada Rules of Civil Procedure or the Justice Court Rules of Civil Procedure, as applicable.]
- 2. The notices required by NRS 40.230, 40.240 and 40.414 must be served upon an unlawful or unauthorized occupant:
- (a) Except as otherwise provided in this paragraph and paragraph (b), by delivering a copy to the unlawful or unauthorized occupant personally, in the presence of a witness. If service is accomplished by the sheriff, constable or a

person who is licensed as a process server pursuant to chapter 648 of NRS, the presence of a witness is not required.

- (b) If the unlawful or unauthorized occupant is absent from the real property, by leaving a copy with a person of suitable age and discretion at the property and mailing a copy to the unlawful or unauthorized occupant at the place where the property is situated. If the occupant is unknown, the notice must be addressed to "Current Occupant."
- (c) If a person of suitable age or discretion cannot be found at the real property, by posting a copy in a conspicuous place on the property and mailing a copy to the unlawful or unauthorized occupant at the place where the property is situated. If the occupant is unknown, the notice must be addressed to "Current Occupant."
- 3. Service upon a subtenant may be made in the same manner as provided in subsection 1.
- 4. Proof of service of any notice required by NRS 40.230 to 40.260, inclusive, must be filed with the court before:
- (a) An order for removal of a tenant is issued pursuant to NRS 40.253 or 40.254;
- (b) An order for removal of an unlawful or unauthorized occupant is issued pursuant to NRS 40.414; [or]
- (c) A writ of restitution is issued pursuant to NRS 40.290 to 40.420, inclusive  $\boxminus$ ; or
- (d) An order for removal of a commercial tenant pursuant to section 1 of this act.
- 5. Proof of service of an order or writ filed pursuant to <u>paragraph</u> (a), (b) or (c) of subsection 4 must consist of:
  - (a) Except as otherwise provided in [paragraphs] paragraph (b): [and (e):]
- (1) If the notice was served pursuant to [paragraph (a) of] subsection 1 [or, proof of service in accordance with the Nevada Rules of Civil Procedure or the Justice Court Rules of Civil Procedure, as applicable.], a written statement, endorsed by the person who served the notice, stating the date and manner of service. The statement must also include the number of the badge or license of the person who served the notice. If the notice was served by the agent of an attorney licensed in this State, the statement must be accompanied by a declaration, signed by the attorney and bearing the license number of the attorney, stating that the attorney:
- (I) Was retained by the landlord in an action pursuant to NRS 40.290 to 40.420, inclusive;
  - (II) Reviewed the date and manner of service by the agent; and
- (III) Believes to the best of his or her knowledge that such service complies with the requirements of this section.
- (2) If the notice was served pursuant to paragraph (a) of subsection 2, an affidavit or declaration signed by the tenant or the unlawful or unauthorized occupant, as applicable, and a witness, signed under penalty of perjury by the

server, acknowledging that the tenant or occupant received the notice on a specified date.

- [(2)] (3) If the notice was served pursuant to [paragraph (b) or (c) of subsection 1 or] paragraph (b) or (c) of subsection 2, an affidavit or declaration signed under penalty of perjury by the person who served the notice, stating the date and manner of service and accompanied by a confirmation of delivery or certificate of mailing issued by the United States Postal Service or confirmation of actual delivery by a private postal service.
- (b) [If the notice was served by a sheriff, a constable or a person who is licensed as a process server pursuant to chapter 648 of NRS, a written statement, endorsed by the person who served the notice, stating the date and manner of service. The statement must also include the number of the badge or license of the person who served the notice.
- $\frac{-(e)}{}$  For a short-term tenancy, if service of the notice was not delivered in person:
- (1) A certificate of mailing issued by the United States Postal Service or by a private postal service to the landlord or the landlord's agent; or
  - (2) The endorsement of a sheriff or constable stating the:
- (I) Time and date the request for service was made by the landlord or the landlord's agent;
  - (II) Time, date and manner of the service; and
  - (III) Fees paid for the service.
- <u>6. Proof of service of an order filed pursuant to paragraph (d) of subsection 4 must consist of:</u>
- (a) Except as otherwise provided in paragraphs (b) and (c):
- (1) If the notice was served pursuant to subsection 2 of section 1 of this act, an affidavit or declaration signed by the tenant or the unlawful or unauthorized occupant, and a witness, as applicable, signed under penalty of perjury by the server, acknowledging that the tenant or occupant received the notice on a specified date.
- (2) If the notice was served pursuant to paragraph (b) or (c) of subsection 1, an affidavit or declaration signed under penalty of perjury by the person who served the notice, stating the date and manner of service and accompanied by a confirmation of delivery or certificate of mailing issued by the United States Postal Service or confirmation of actual delivery by a private postal service.
- (b) If the notice was served by a sheriff, a constable or a person who is licensed as a process server pursuant to chapter 648 of NRS, a written statement, endorsed by the person who served the notice, stating the date and manner of service. The statement must also include the number of the badge or license of the person who served the notice.
- (c) For a short-term tenancy, if service of the notice was not delivered in person:
- (1) A certificate of mailing issued by the United States Postal Service or by a private postal service to the landlord or the landlord's agent; or

- (2) The endorsement of a sheriff or constable stating the:
- (I) Time and date the request for service was made by the landlord or the landlord's agent;
  - (II) Time, date and manner of the service; and
  - (III) Fees paid for the service.
- 7. For the purpose of this section, an agent of an attorney licensed in this State shall only serve notice pursuant to subsection 1 if:
- (a) The landlord has retained the attorney an action pursuant to NRS 40.290 to 40.420, inclusive; and
- (b) The agent is acting at the direction and under the direct supervision of the attorney.
  - Sec. 4.5. NRS 40.385 is hereby amended to read as follows:
- 40.385 Upon an appeal from an order entered pursuant to NRS 40.253 [+] or section 1 of this act:
- 1. Except as otherwise provided in this subsection, a stay of execution may be obtained by filing with the trial court a bond in the amount of \$250 to cover the expected costs on appeal. A surety upon the bond submits to the jurisdiction of the appellate court and irrevocably appoints the clerk of that court as the surety's agent upon whom papers affecting the surety's liability upon the bond may be served. Liability of a surety may be enforced, or the bond may be released, on motion in the appellate court without independent action. A tenant of commercial property may obtain a stay of execution only upon the issuance of a stay pursuant to Rule 8 of the Nevada Rules of Appellate Procedure and the posting of a supersedeas bond in the amount of 100 percent of the unpaid rent claim of the landlord.
- 2. A tenant who retains possession of the premises that are the subject of the appeal during the pendency of the appeal shall pay to the landlord rent in the amount provided in the underlying contract between the tenant and the landlord as it becomes due. If the tenant fails to pay such rent, the landlord may initiate new proceedings for a summary eviction by serving the tenant with a new notice pursuant to NRS 40.253  $\frac{1}{100}$  or section 1 of this act.
  - Sec. 5. INRS 40.414 is hereby amended to read as follows:
- 40.414 1. In addition to the remedy provided in NRS 40.290 to 40.420, inclusive, when a person who is guilty of forcible entry or forcible detainer fails, after the expiration of a written notice to surrender which was served pursuant to NRS 40.230 or 40.240, to surrender the real property to the owner of the real property or the occupant who is authorized by the owner to be in possession of the real property, the owner or occupant who is authorized by the owner may seek to recover possession of the real property pursuant to this section.
- 2. The owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property shall serve the notice to surrender on the unlawful or unauthorized occupant in accordance with the provisions of NRS 40.280.

- 3. In addition to the requirements set forth in subsection 2 of NRS 40.230 and subsection 2 of NRS 40.240, a written notice to surrender must:
- (a) Identify the court that has jurisdiction over the matter.
- (b) Advise the unlawful or unauthorized occupant:
- (1) Of his or her right to contest the matter by filing, before the court's close of business on the fourth judicial day following service of the notice of surrender, an affidavit with the court that has jurisdiction over the matter stating the reasons why the unlawful or unauthorized occupant is not guilty of a forcible entry or forcible detainer.
- (2) That if the court determines that the unlawful or unauthorized occupant is guilty of a forcible entry or forcible detainer, the court may issue a summary order for removal of the unlawful or unauthorized occupant or an order providing for the nonadmittance of the unlawful or unauthorized occupant, directing the sheriff or constable of the county to remove the unlawful or unauthorized occupant [within 24] not earlier than 48 hours after the sheriff's or constable's receipt of the order from the court.
- (3) That, except as otherwise provided in this subparagraph, the owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner of the real property to be in possession of the real property shall provide safe storage of any personal property of the unlawful or unauthorized occupant which remains on the property. The owner, an authorized representative of the owner or the occupant may dispose of any personal property of the unlawful or unauthorized occupant remaining on the real property after 14 calendar days from the execution of an order for removal of the unlawful or unauthorized occupant or the compliance of the unlawful or unauthorized occupant with the notice to surrender, whichever comes first. The unlawful or unauthorized occupant must pay the owner, authorized representative of the owner or occupant for the reasonable and actual costs of inventory, moving and storage of the personal property before the personal property will be released to the unlawful or unauthorized occupant.
- 4. Upon service of the written notice to surrender pursuant to subsection 3, the unlawful or unauthorized occupant shall:
- (a) Before the expiration of the notice, surrender the real property to the owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property, in which case an affidavit of complaint may not be filed pursuant to subsection 5 and a summary order for removal may not be issued pursuant to subsection 6:
- (b) Request that the court stay the execution of a summary order for removal, stating the reasons why such a stay is warranted; or
- (e) Contest the matter by filing, before the court's close of business on the fourth judicial day following service of the notice to surrender, an affidavit with the court that has jurisdiction over the matter stating the reasons that the unlawful or unauthorized occupant is not guilty of a forcible entry or forcible

detainer. A file-stamped copy of the affidavit must be served by mail upon the issuer of the notice to surrender.

- 5. Upon expiration of the written notice to surrender, the owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property may apply by affidavit of complaint for eviction to the justice court of the township in which the real property is located or the district court of the county in which the real property is located, whichever has jurisdiction over the matter. The affidavit of complaint for eviction must state or contain:
- (a) The date on which the unlawful or unauthorized occupant forcibly entered or detained the real property or the date on which the applicant first became aware of the forcible entry or forcible detainer.
- —(b) A summary of the specific facts detailing how the alleged forcible entry or forcible detainer was or is being committed.
- —(e) A copy of the written notice to surrender that was served on the unlawful or unauthorized occupant.
- (d) Proof of service of the written notice to surrender in compliance with NRS 40.280.
- 6. Upon the filing of the affidavit of complaint by the owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property pursuant to subsection 5, the justice court or the district court, as applicable, shall determine the truthfulness and sufficiency of any affidavit or notice provided for in this section. If:
- (a) The unlawful or unauthorized occupant has failed to timely file an affidavit contesting the matter pursuant to paragraph (c) of subsection 4 and the court determines that sufficient evidence has been set forth in the affidavit of complaint to demonstrate that a forcible entry or forcible detainer has been committed by the unlawful or unauthorized occupant, the court must issue an order directing the sheriff or constable of the county to remove the unlawful or unauthorized occupant [within 24] not earlier than 48 hours after the sheriff's or constable's receipt of the order from the court.
- (b) The unlawful or unauthorized occupant has timely filed an affidavit contesting the matter pursuant to paragraph (c) of subsection 4 and the court determines that the affidavit fails to raise an element of a legal defense regarding the alleged forcible entry or forcible detainer, the court may rule on the matter without a hearing. If the court determines that sufficient evidence has been set forth in the affidavit of complaint to demonstrate that a forcible entry or forcible detainer has been committed by the unlawful or unauthorized occupant, the court must issue an order directing the sheriff or constable of the county to remove the unlawful or unauthorized occupant [within 24] not carlier than 48 hours after the sheriff's or constable's receipt of the order from the court, unless the court has stayed the execution of the order pursuant to a request pursuant to paragraph (b) of subsection 4.

- (e) The unlawful or unauthorized occupant has timely filed an affidavit contesting the matter pursuant to paragraph (e) of subsection 4 and the court determines that the affidavit raises an element of a legal defense regarding the alloged forcible entry or forcible detainer, the court must require the parties to appear at a hearing to determine the truthfulness and sufficiency of the evidence set forth in any affidavit. Such a hearing must be held within 7 judicial days after the filing of the affidavit of complaint.
- (d) Upon review of the affidavits of any party or upon hearing, the court determines that:
- (1) There is a legal defense as to the alleged forcible entry or forcible detainer, the court must refuse to grant either party any relief and, except as otherwise provided in this subsection, must require that any further proceedings be conducted pursuant to NRS 40.290 to 40.420, inclusive.
- (2) The unlawful or unauthorized occupant gained entry or possession of the real property peaceably and as a result of an invalid lease, fraudulent act or misrepresentation by a person without the authority of the owner of the real property, the court may issue a summary order for the removal of the unlawful or unauthorized occupant but also may, within the discretion of the court, stay such order for a period sufficient to allow the unlawful or unauthorized occupant to vacate and remove his or her personal property. This period may not exceed 20 days.
- 7. The owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property may, without incurring any civil or criminal liability, dispose of personal property abandoned on the real property by an unlawful or unauthorized occupant who is ordered removed by this section in the following
- (a) The owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property shall reasonably provide for the safe storage of the abandoned personal property for 21 calendar days after the removal of the unlawful or unauthorized occupant or the surrender of the real property in compliance with a written notice to surrender, whichever comes first, and may charge and collect the reasonable and actual costs of inventory, moving and storage before releasing the abandoned personal property to the unlawful or unauthorized occupant or his or her authorized representative rightfully claiming the property within that period. The owner or the occupant is liable to the unlawful or unauthorized occupant only for negligent or wrongful acts in storing the abandoned personal property.
- (b) After the expiration of the 21-day period, the owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property may dispose of the abandoned personal property and recover his or her reasonable costs out of the personal property or the value thereof.

- (c) Vehicles must be disposed of in the manner provided in chapter 487 of NRS for abandoned vehicles.
- (d) Any dispute relating to the amount of the costs claimed by the owner of the real property, an authorized representative of the owner or the occupant who is authorized by the owner to be in possession of the real property pursuant to paragraph (a) may be resolved by the court pursuant to a motion filed by the unlawful or unauthorized occupant and the payment of the appropriate fees relating to the filing and service of the motion. The motion must be filed within 14 calendar days after the removal of the unlawful or unauthorized occupant or the surrender of the real property in compliance with a written notice to surrender, whichever comes first. Upon the filing of a motion by the unlawful or unauthorized occupant pursuant to this paragraph, the court shall schedule a hearing on the motion. The hearing must be held within 10 judicial days after the filing of the motion. The court shall affix the date of the hearing to the motion and mail a copy to the owner, an authorized representative of the owner or the occupant at the address on file with the court.] (Deleted by amendment.)
  - Sec. 6. NRS 21.130 is hereby amended to read as follows:
- 21.130 1. Before the sale of property on execution, notice of the sale, in addition to the notice required pursuant to NRS 21.075 and 21.076, must be given as follows:
- (a) In cases of perishable property, by posting written notice of the time and place of sale in three public places at the township or city where the sale is to take place, for such a time as may be reasonable, considering the character and condition of the property.
- (b) In case of other personal property, by posting a similar notice in three public places of the township or city where the sale is to take place, not less than 5 or more than 10 days before the sale, and, in case of sale on execution issuing out of a district court, by the publication of a copy of the notice in a newspaper, if there is one in the county, at least twice, the first publication being not less than 10 days before the date of the sale.
  - (c) In case of real property, by:
- (1) Personal service upon each judgment debtor or by registered mail to the last known address of each judgment debtor and, if the property of the judgment debtor is operated as a facility licensed under chapter 449 of NRS, upon the State Board of Health;
- (2) Posting a similar notice particularly describing the property, for 20 days successively, in three public places of the township or city where the property is situated and where the property is to be sold;
- (3) Publishing a copy of the notice three times, once each week, for 3 successive weeks, in a newspaper, if there is one in the county. The cost of publication must not exceed the rate for legal advertising as provided in NRS 238.070. If the newspaper authorized by this section to publish the notice of sale neglects or refuses from any cause to make the publication, then the posting of notices as provided in this section shall be deemed sufficient notice.

Notice of the sale of property on execution upon a judgment for any sum less than \$500, exclusive of costs, must be given only by posting in three public places in the county, one of which must be the courthouse;

- (4) Recording a copy of the notice in the office of the county recorder; and
- (5) If the sale of property is a residential foreclosure, posting a copy of the notice in a conspicuous place on the property. In addition to the requirements of NRS 21.140, the notice must not be defaced or removed until the transfer of title is recorded or the property becomes occupied after completion of the sale, whichever is earlier.
- 2. If the sale of property is a residential foreclosure, the notice must include, without limitation:
  - (a) The physical address of the property; and
- (b) The contact information of the party who is authorized to provide information relating to the foreclosure status of the property.
- 3. If the sale of property is a residential foreclosure, a separate notice must be posted in a conspicuous place on the property and mailed, with a certificate of mailing issued by the United States Postal Service or another mail delivery service, to any tenant or subtenant, if any, other than the judgment debtor, in actual occupation of the premises not later than 3 business days after the notice of the sale is given pursuant to subsection 1. The separate notice must be in substantially the following form:

### NOTICE TO TENANTS OF THE PROPERTY

Foreclosure proceedings against this property have started, and a notice of sale of the property to the highest bidder has been issued.

You may either: (1) terminate your lease or rental agreement and move out; or (2) remain and possibly be subject to eviction proceedings under chapter 40 of the Nevada Revised Statutes. Any subtenants may also be subject to eviction proceedings.

Between now and the date of the sale, you may be evicted if you fail to pay rent or live up to your other obligations to the landlord.

After the date of the sale, you may be evicted if you fail to pay rent or live up to your other obligations to the successful bidder, in accordance with chapter 118A of the Nevada Revised Statutes.

Under the Nevada Revised Statutes, eviction proceedings may begin against you after you have been given a notice to surrender.

If the property is sold and you pay rent by the week or another period of time that is shorter than 1 month, you should generally receive notice after not less than the number of days in that period of time.

If the property is sold and you pay rent by the month or any other period of time that is 1 month or longer, you should generally receive notice at least 60 days in advance.

Under Nevada Revised Statutes 40.280, notice must generally be served on you pursuant to chapter 40 of the Nevada Revised Statutes . [and may be served by:

- (1) Delivering a copy to you personally in the presence of a witness, unless service is accomplished by a sheriff, constable or licensed process server, in which case the presence of a witness is not required;
- (2) If you are absent from your place of residence or usual place of business, leaving a copy with a person of suitable age and discretion at either place and mailing a copy to you at your place of residence or business and to the place where the leased property is situated, if different; or
- (3) If your place of residence or business cannot be ascertained, or a person of suitable age or discretion cannot be found there, posting a copy in a conspicuous place on the leased property and mailing a copy to you at the place where the leased property is situated.]

If the property is sold and a landlord, successful bidder or subsequent purchaser files an eviction action against you in court, you will be served with a summons and complaint and have the opportunity to respond. Eviction actions may result in temporary evictions, permanent evictions, the awarding of damages pursuant to Nevada Revised Statutes 40.360 or some combination of those results.

Under the Justice Court Rules of Civil Procedure:

- (1) You will be given at least 10 days to answer a summons and complaint;
- (2) If you do not file an answer, an order evicting you by default may be obtained against you;
- (3) A hearing regarding a temporary eviction may be called as soon as 11 days after you are served with the summons and complaint; and
- (4) A hearing regarding a permanent eviction may be called as soon as 20 days after you are served with the summons and complaint.
- 4. The sheriff shall not conduct a sale of the property on execution or deliver the judgment debtor's property to the judgment creditor if the judgment debtor or any other person entitled to notice has not been properly notified as required in this section and NRS 21.075 and 21.076.
- 5. As used in this section, "residential foreclosure" means the sale of a single family residence pursuant to NRS 40.430. As used in this subsection, "single family residence" means a structure that is comprised of not more than four units.
  - Sec. 7. NRS 107.087 is hereby amended to read as follows:
- 107.087 1. In addition to the requirements of NRS 107.080, if the sale of property is a residential foreclosure, a copy of the notice of default and election to sell and the notice of sale must:
  - (a) Be posted in a conspicuous place on the property not later than:
- (1) For a notice of default and election to sell, 100 days before the date of sale; or
  - (2) For a notice of sale, 15 days before the date of sale; and
  - (b) Include, without limitation:
    - (1) The physical address of the property; and

- (2) The contact information of the trustee or the person conducting the foreclosure who is authorized to provide information relating to the foreclosure status of the property.
- 2. In addition to the requirements of NRS 107.084, the notices must not be defaced or removed until the transfer of title is recorded or the property becomes occupied after completion of the sale, whichever is earlier.
- 3. A separate notice must be posted in a conspicuous place on the property and mailed, with a certificate of mailing issued by the United States Postal Service or another mail delivery service, to any tenant or subtenant, if any, other than the grantor or the grantor's successor in interest, in actual occupation of the premises not later than 15 days before the date of sale. The separate notice must be in substantially the following form:

### NOTICE TO TENANTS OF THE PROPERTY

Foreclosure proceedings against this property have started, and a notice of sale of the property to the highest bidder has been issued.

You may either: (1) terminate your lease or rental agreement and move out; or (2) remain and possibly be subject to eviction proceedings under chapter 40 of the Nevada Revised Statutes. Any subtenants may also be subject to eviction proceedings.

Between now and the date of the sale, you may be evicted if you fail to pay rent or live up to your other obligations to the landlord.

After the date of the sale, you may be evicted if you fail to pay rent or live up to your other obligations to the successful bidder, in accordance with chapter 118A of the Nevada Revised Statutes.

Under the Nevada Revised Statutes eviction proceedings may begin against you after you have been given a notice to surrender.

If the property is sold and you pay rent by the week or another period of time that is shorter than 1 month, you should generally receive notice after not less than the number of days in that period of time.

If the property is sold and you pay rent by the month or any other period of time that is 1 month or longer, you should generally receive notice at least 60 days in advance.

Under Nevada Revised Statutes 40.280, notice must generally be served on you pursuant to chapter 40 of the Nevada Revised Statutes . <del>[and may be served by:</del>

- (1) Delivering a copy to you personally in the presence of a witness, unless service is accomplished by a sheriff, constable or licensed process server, in which case the presence of a witness is not required;
- (2) If you are absent from your place of residence or usual place of business, leaving a copy with a person of suitable age and discretion at either place and mailing a copy to you at your place of residence or business and to the place where the leased property is situated, if different; or
- (3) If your place of residence or business cannot be ascertained, or a person of suitable age or discretion cannot be found there, posting a

copy in a conspicuous place on the leased property and mailing a copy to you at the place where the leased property is situated.]

If the property is sold and a landlord, successful bidder or subsequent purchaser files an eviction action against you in court, you will be served with a summons and complaint and have the opportunity to respond. Eviction actions may result in temporary evictions, permanent evictions, the awarding of damages pursuant to Nevada Revised Statutes 40.360 or some combination of those results.

Under the Justice Court Rules of Civil Procedure:

- (1) You will be given at least 10 days to answer a summons and complaint;
- (2) If you do not file an answer, an order evicting you by default may be obtained against you;
- (3) A hearing regarding a temporary eviction may be called as soon as 11 days after you are served with the summons and complaint; and
- (4) A hearing regarding a permanent eviction may be called as soon as 20 days after you are served with the summons and complaint.
- 4. The posting of a notice required by this section must be completed by a process server licensed pursuant to chapter 648 of NRS or any constable or sheriff of the county in which the property is located.
- 5. As used in this section, "residential foreclosure" has the meaning ascribed to it in NRS 107.0805.
  - Sec. 7.5. NRS 645H.520 is hereby amended to read as follows:
- 645H.520 1. Subject to the provisions of NRS 645H.770, the services an asset management company may provide include, without limitation:
- (a) Securing real property in foreclosure once it has been determined to be abandoned and all notice provisions required by law have been complied with;
- (b) Providing maintenance for real property in foreclosure, including landscape and pool maintenance;
  - (c) Cleaning the interior or exterior of real property in foreclosure;
  - (d) Providing repair or improvements for real property in foreclosure; and
- (e) Removing trash and debris from real property in foreclosure and the surrounding property.
- 2. An asset management company may dispose of personal property abandoned on the premises of a residence in foreclosure or left on the premises after the eviction of a homeowner or a tenant of a homeowner without incurring civil or criminal liability in the following manner:
- (a) The asset management company shall reasonably provide for the safe storage of the property for 30 days after the abandonment or eviction and may charge and collect the reasonable and actual costs of inventory, moving and storage before releasing the property to the homeowner or the tenant of the homeowner or his or her authorized representative rightfully claiming the property within that period. The asset management company is liable to the homeowner or the tenant of the homeowner only for the asset management company's negligent or wrongful acts in storing the property.

- (b) After the expiration of the 30-day period, the asset management company may dispose of the property and recover his or her reasonable costs from the property or the value thereof if the asset management company has made reasonable efforts to locate the homeowner or the tenant of the homeowner, has notified the homeowner or the tenant of the homeowner in writing of his or her intention to dispose of the property and 14 days have elapsed since the notice was given to the homeowner or the tenant of the homeowner. The notice must be mailed to the homeowner or the tenant of the homeowner at the present address of the homeowner or the tenant of the homeowner and, if that address is unknown, then at the last known address of the homeowner or the tenant of the homeowne
- (c) Vehicles must be disposed of in the manner provided in chapter 487 of NRS for abandoned vehicles.
- 3. Any dispute relating to the amount of the costs claimed by the asset management company pursuant to paragraph (a) of subsection 2 may be resolved using the procedure provided in subsection 7 of NRS 40.253 [+] or section 1 of this act, as applicable.
  - Sec. 8. This act becomes effective on July 1, 2019.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 77 to Senate Bill No. 151 revises certain timelines relating to eviction notices, service of notice and removal; defines low-income housing projects and clarifies that these are exempt from summary eviction; retains the three-day timeframe for eviction after a home sale but clarifies that a lease remains in effect; changes the timeframe for summary eviction to seven judicial days; allows that an attorney or the attorney's agent may serve an eviction notice, and clarifies that nothing in this bill applies to or alters the eviction process for commercial properties.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 155.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 185.

SUMMARY—Establishes provisions regarding the possession and use of <u>personal identifying information and fictitious</u> personal identifying information. (BDR 15-917)

AN ACT relating to crimes; establishing provisions regarding the possession and use of fictitious personal identifying information; establishing provisions regarding the possession and use of personal identifying information or fictitious personal identifying information by certain persons for certain specified purposes; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes various unlawful acts relating to the possession and use of the personal identifying information of a person.

(NRS 205.461-205.4657) This bill establishes various unlawful acts relating to the possession and use of the fictitious personal identifying information of a fictitious person. Section 1 of this bill provides that a person who knowingly possesses any fictitious personal identifying information of a fictitious person and, with the intent to commit an unlawful act, uses such information for an unlawful purpose is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years, and may be further punished by a fine of not more than \$100,000. Section 1 also provides that a person who knowingly possesses any fictitious personal identifying information of a fictitious person and uses such information to avoid or delay being prosecuted for an unlawful act is guilty of a category C felony. Section 1 [further] additionally provides that a person who violates either such provision by possessing and using the fictitious personal identifying information of five or more fictitious persons is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 3 years and a maximum term of not more than 20 years, and may be further punished by a fine of not more than \$100,000.

Section 1 further provides that if a person possesses and uses any personal identifying information of a person or fictitious personal identifying information of a fictitious person for the sole purpose of falsely establishing that the person meets the respective age requirement established by law to engage in gambling or purchase alcohol or cigarettes or related products, the person, depending on his or her actual age, is guilty of a misdemeanor or commits a delinquent act.

Section 2 of this bill prohibits a person from possessing, selling or transferring any fictitious personal identifying information for certain purposes. Any person who violates such a provision by: (1) possessing fictitious personal identifying information for the sole purpose of establishing false proof of age is guilty of a misdemeanor; (2) possessing fictitious personal identifying information is guilty of a category E felony; (3) selling or transferring fictitious personal identifying information or possessing such information for the purpose of committing certain crimes is guilty of a category C felony; or (4) selling or transferring the fictitious personal identifying information of five or more fictitious persons is guilty of a category B felony.

Section 5 of this bill provides that the unlawful acts relating to the possession and use of fictitious personal identifying information do not apply to any person who, without the intent to defraud or commit an unlawful act, possesses or uses any fictitious personal identifying information of a fictitious person: (1) in the ordinary course of his or her business or employment; or (2) for any other purpose authorized by law.

Sections 3, 4, 6 and 7 of this bill make conforming changes.
THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN

SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- Section 1. NRS 205.463 is hereby amended to read as follows:
- 205.463 1. Except as otherwise provided in subsections 2\_,  $\frac{\text{[and]}}{\text{[and 4, a person who : [knowingly:]}}$ 
  - (a) Knowingly:
- (1) Obtains any personal identifying information of another person; and [(b)] (2) With the intent to commit an unlawful act, uses the personal identifying information:
  - $\{(1)\}$  (I) To harm that other person;
- [(2)] (II) To represent or impersonate that other person to obtain access to any personal identifying information of that other person without the prior express consent of that other person;
- [(3)] (III) To obtain access to any nonpublic record of the actions taken, communications made or received by, or other activities or transactions of that other person without the prior express consent of that other person; or
- [(4)] (IV) For any other unlawful purpose, including, without limitation, to obtain credit, a good, a service or anything of value in the name of that other person [.]; or
  - (b) Knowingly:
- (1) Possesses any fictitious personal identifying information of a fictitious person; and
- (2) With the intent to commit an unlawful act, uses the fictitious personal identifying information:
- (I) To represent or impersonate the fictitious person for any unlawful purpose; or
  - (II) For any other unlawful purpose,
- → is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years, and may be further punished by a fine of not more than \$100,000.
- 2. If the personal identifying information of another person is obtained and used or the fictitious personal identifying information of a fictitious person is possessed and used by a person in violation of subsection 1 for the sole purpose of falsely establishing that the person:
- (a) Is 21 years of age or older for the purpose of engaging in gambling or purchasing any alcoholic beverage, the person:
- (1) Is guilty of a misdemeanor if the person is 18 years of age or older but less than 21 years of age; and
- (2) Commits a delinquent act if the person is less than 18 years of age, and the court may order the detention of the person in the same manner as if the person had committed an act that would have been a misdemeanor if committed by an adult; or
- (b) Is 18 years of age or older for the purpose of purchasing any cigarettes, cigarette paper, tobacco of any description, products made or derived from tobacco, vapor products or alternative nicotine products, the person commits a delinquent act, and the court may order the detention of the person in the

same manner as if the person had committed an act that would have been a misdemeanor if committed by an adult.

- <u>3.</u> Except as otherwise provided in subsection  $\frac{3}{3}$   $\frac{4}{3}$  a person who knowingly:
- (a) Obtains any personal identifying information of another person [;] or possesses any fictitious personal identifying information of a fictitious person; and
- (b) Uses the personal identifying information *or fictitious personal identifying information* to avoid or delay being prosecuted for an unlawful act, is guilty of a category C felony and shall be punished as provided in NRS 193.130.
  - $\boxed{3.}$  4. A person who violates:
- (a) [Subsection] Paragraph (a) of subsection 1 or subsection [2] 3 by obtaining and using the personal identifying information of an older person or a vulnerable person;
- (b) [Subsection] Paragraph (a) of subsection 1 or subsection  $\frac{2}{2}$  by obtaining and using the personal identifying information of five or more persons;
- (c) [Subsection] Paragraph (a) of subsection 1 or subsection  $\frac{2}{2}$  by causing another person to suffer a financial loss or injury of \$3,000 or more as a result of the violation; [or]
- (d) Paragraph (b) of subsection 1 or subsection [2] 3 by possessing and using the fictitious personal identifying information of five or more fictitious persons; or
- (e) Subsection  $\frac{[2]}{2}$  to avoid or delay being prosecuted for an unlawful act that is punishable as a category A felony or category B felony,
- ⇒ is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 3 years and a maximum term of not more than 20 years, and may be further punished by a fine of not more than \$100,000.
- [4.] 5. In addition to any other penalty, the court shall order a person convicted of violating *paragraph* (a) of subsection 1 to pay restitution, including, without limitation, any attorney's fees and costs incurred to:
- (a) Repair the credit history or rating of the person whose personal identifying information the convicted person obtained and used in violation of *paragraph* (a) of subsection 1; and
- (b) Satisfy a debt, lien or other obligation incurred by the person whose personal identifying information the convicted person obtained and used in violation of *paragraph* (a) of subsection 1.
- [5-] 6. Proof of possession of the personal identifying information of five or more persons or the fictitious personal identifying information of five or more fictitious persons, as applicable, in a manner not set forth in NRS 205.4655 permits a rebuttable inference that the possessor intended to use such information in violation of this section.

- Sec. 2. NRS 205.465 is hereby amended to read as follows:
- 205.465 1. It is unlawful for a person to possess, sell or transfer any document , [or] personal identifying information or fictitious personal identifying information for the purpose of establishing a false status, occupation, membership, license or identity for himself or herself or any other person.
  - 2. Except as otherwise provided in subsection 3, a person who:
- (a) Sells or transfers any such document , [or] personal identifying information or fictitious personal identifying information in violation of subsection 1; or
- (b) Possesses any such document, [or] personal identifying information or fictitious personal identifying information in violation of subsection 1 to commit any of the crimes set forth in NRS 205.085 to 205.217, inclusive, 205.473 to 205.513, inclusive, or 205.610 to 205.810, inclusive,
- → is guilty of a category C felony and shall be punished as provided in NRS 193.130.
  - 3. A person who violates subsection 2 by:
- (a) Selling or transferring the personal identifying information of an older person or a vulnerable person;
  - (b) Selling or transferring [the]:
    - (1) The personal identifying information of five or more persons; or
- (2) The fictitious personal identifying information of five or more fictitious persons; or
- (c) Causing another person to suffer a financial loss or injury of \$3,000 or more as a result of the violation,
- → is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years, and may be further punished by a fine of not more than \$100,000.
- 4. Except as otherwise provided in this subsection and subsections 2 and 3, a person who possesses any such document , [or] personal identifying information or fictitious personal identifying information in violation of subsection 1 is guilty of a category E felony and shall be punished as provided in NRS 193.130. If a person possesses any such document , [or] personal identifying information or fictitious personal identifying information in violation of subsection 1 for the sole purpose of establishing false proof of age, including, without limitation, establishing false proof of age to game, purchase alcoholic beverages or purchase cigarettes or other tobacco products, the person is guilty of a misdemeanor.
  - 5. Subsection 1 does not:
- (a) Preclude the adoption by a city or county of an ordinance prohibiting the possession of any such document,  $\{or\}$  personal identifying information  $\{cr\}$  or fictitious personal identifying information; or
- (b) Prohibit the possession or use of any such document ,  $\{or\}$  personal identifying information or fictitious personal identifying information by

officers of local police, sheriff and metropolitan police departments and by agents of the Investigation Division of the Department of Public Safety while engaged in undercover investigations related to the lawful discharge of their duties.

- 6. Proof of possession of the personal identifying information of five or more persons or the fictitious personal identifying information of five or more fictitious persons, as applicable, in a manner not set forth in NRS 205.4655 permits a rebuttable inference that the possessor intended to use such information in violation of this section.
  - Sec. 3. NRS 205.46517 is hereby amended to read as follows:
- 205.46517 In any case in which a person is convicted of violating any provision of NRS 205.461 to 205.4657, inclusive, *concerning the personal identifying information of another person*, the court records must clearly reflect that the violation was committed by the person convicted of the violation and not by the person whose personal identifying information forms a part of the violation.
  - Sec. 4. NRS 205.4653 is hereby amended to read as follows:
- 205.4653 A person who violates any provision of NRS 205.461 to 205.4657, inclusive, *concerning the personal identifying information of another person* may be prosecuted for the violation whether or not the person whose personal identifying information forms a part of the violation:
- 1. Is living or deceased during the course of the violation or the prosecution.
  - 2. Is an artificial person.
  - 3. Suffers financial loss or injury as the result of the violation.
  - Sec. 5. NRS 205.4655 is hereby amended to read as follows:
- 205.4655 The provisions of NRS 205.461 to 205.4657, inclusive, do not apply to any person who, without the intent to defraud or commit an unlawful act, possesses or uses [any]:
  - 1. Any personal identifying information of another person:
  - [1.] (a) In the ordinary course of his or her business or employment; or
- [2.] (b) Pursuant to a financial transaction entered into with an authorized user of a payment card.
  - 2. Any fictitious personal identifying information of a fictitious person:
  - (a) In the ordinary course of his or her business or employment; or
  - (b) For any other purpose authorized by law.
  - Sec. 6. NRS 205.4657 is hereby amended to read as follows:
- 205.4657 1. In any prosecution for a violation of any provision of NRS 205.461 to 205.4657, inclusive, the State is not required to establish and it is no defense that:
  - (a) An accessory has not been convicted, apprehended or identified; or
- (b) Some of the acts constituting elements of the crime did not occur in this State or that where such acts did occur they were not a crime or elements of a crime.

- 2. In any prosecution for a violation of any provision of NRS 205.461 to 205.4657, inclusive, the violation shall be deemed to have been committed and may be prosecuted in any jurisdiction in this State in which:
- (a) [The person whose] If the personal identifying information of another person forms a part of the violation, the person currently resides or is found; or
- (b) Any act constituting an element of the crime occurred, regardless of whether the defendant was ever physically present in that jurisdiction.
  - Sec. 7. NRS 207.360 is hereby amended to read as follows:
- 207.360 "Crime related to racketeering" means the commission of, attempt to commit or conspiracy to commit any of the following crimes:
  - 1. Murder:
- 2. Manslaughter, except vehicular manslaughter as described in NRS 484B.657;
  - 3. Mayhem;
  - 4. Battery which is punished as a felony;
  - 5. Kidnapping;
  - 6. Sexual assault;
  - 7. Arson;
  - 8. Robbery;
- 9. Taking property from another under circumstances not amounting to robbery;
  - 10. Extortion;
  - 11. Statutory sexual seduction;
  - 12. Extortionate collection of debt in violation of NRS 205.322;
- 13. Forgery, including, without limitation, forgery of a credit card or debit card in violation of NRS 205.740;
- 14. [Obtaining and using personal identifying information of another person in] Any violation of NRS 205.463 [:] which is punished as a felony;
- 15. Establishing or possessing a financial forgery laboratory in violation of NRS 205.46513;
  - 16. Any violation of NRS 199.280 which is punished as a felony;
  - 17. Burglary;
  - 18. Grand larceny;
- 19. Bribery or asking for or receiving a bribe in violation of chapter 197 or 199 of NRS which is punished as a felony;
  - 20. Battery with intent to commit a crime in violation of NRS 200.400;
  - 21. Assault with a deadly weapon;
- 22. Any violation of NRS 453.232, 453.316 to 453.3395, inclusive, except a violation of NRS 453.3393, or NRS 453.375 to 453.401, inclusive;
  - 23. Receiving or transferring a stolen vehicle;
- 24. Any violation of NRS 202.260, 202.275 or 202.350 which is punished as a felony;
- 25. Any violation of subsection 2 or 3 of NRS 463.360 or chapter 465 of NRS;

- 26. Receiving, possessing or withholding stolen goods valued at \$650 or more;
  - 27. Embezzlement of money or property valued at \$650 or more;
- 28. Obtaining possession of money or property valued at \$650 or more, or obtaining a signature by means of false pretenses;
  - 29. Perjury or subornation of perjury;
  - 30. Offering false evidence;
  - 31. Any violation of NRS 201.300, 201.320 or 201.360;
- 32. Any violation of NRS 90.570, 91.230 or 686A.290, or insurance fraud pursuant to NRS 686A.291;
  - 33. Any violation of NRS 205.506, 205.920 or 205.930;
  - 34. Any violation of NRS 202.445 or 202.446;
  - 35. Any violation of NRS 205.377;
- 36. Involuntary servitude in violation of any provision of NRS 200.463 or 200.464 or a violation of any provision of NRS 200.465; or
- 37. Trafficking in persons in violation of any provision of NRS 200.467 or 200.468.

Senator Harris moved the adoption of the amendment.

Remarks by Senator Harris.

Amendment No. 185 to Senate Bill No. 155 clarifies the bill's enhanced penalties do not apply to a minor who possessed and used false identifying information for the sole purpose of establishing false proof of age to game, purchase alcoholic beverages or purchase cigarettes or other tobacco products.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 355.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 485.

SUMMARY—Revises provisions relating to certain regulatory bodies which administer occupational licensing. (BDR 54-856)

AN ACT relating to regulatory bodies; [clarifying that] revising provisions governing the scope of practice of [chiropractors and] physical therapists [does not include] relating to the use of the technique of dry needling; revising provisions governing the duties and powers of the State Board of Oriental Medicine; revising provisions governing the licensing of doctors of Oriental medicine; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth provisions governing the licensure and regulation of [chiropractors,] physical therapists and doctors of Oriental medicine. (Chapters [634,] 634A and 640 of NRS) Existing law defines the scope of practice of physical therapy and restricts persons licensed to practice physical therapy from practicing other forms of healing. (NRS 640.024, 640.190)

[Additionally, with certain exceptions, existing law prohibits a licensed chiropractor from piercing or severing any body tissue. (NRS 634.225) Sections 12 and 13 of this bill clarify that the scope of practice of physical therapy does not include dry needling. Section 1 of this bill clarifies that a chiropractor is prohibited from performing dry needling.] Section 3 of this bill provides that the practice of Oriental medicine specifically includes dry needling as well as moxibustion and cupping. Section 12.5 of this bill authorizes the Nevada Physical Therapy Board to prescribe by regulation the scope of the use of the technique of dry needling by a physical therapist. If the Nevada Physical Therapy Board adopts such regulations, section 12.5 requires that the regulations establish requirements for training that a physical therapist must successfully complete to administer treatment through the use of the technique of dry needling. Section 12 of this bill makes a conforming change. Section 3.5 of this bill provides that a person is not practicing the healing art of Oriental medicine if the person is authorized to practice another healing art and is practicing within the scope of that authority, such as if a physical therapist is administering treatment through the technique of dry needling within the scope authorized pursuant to the regulations adopted by the Nevada Physical Therapy Board.

Section 2 of this bill authorizes the State Board of Oriental Medicine to issue an endorsement to practice acupuncture point injection therapy to a doctor of Oriental medicine who meets certain requirements. Section 5 of this bill eliminates the authority of the Board in existing law to fix and pay a salary to the Secretary-Treasurer. (NRS 634A.060) Section 6 of this bill eliminates the requirement in existing law that the Board establish and maintain a list of accredited schools and colleges of Oriental medicine. (NRS 634A.080)

Existing law authorizes the establishment and maintenance of a school or college of Oriental medicine in this State if its establishment and curriculum is approved by the Board. (NRS 634A.090) Section 7 of this bill: (1) eliminates the requirement that the Board annually approve the curriculum; and (2) requires that the school or college be accredited by or have received at least candidacy status for accreditation from the Accreditation Commission for Acupuncture and Oriental Medicine or its successor organization and hold a current license issued by the Commission on Postsecondary Education. Section 4 of this bill makes a conforming change.

Existing law requires an applicant for a license to practice as a doctor of Oriental medicine to: (1) pass a national examination in Oriental medicine administered by a national organization approved by the Board and a practical examination approved by the Board that tests certain subject areas; and (2) meet certain educational and other requirements. (NRS 634A.120, 634A.140) Section 8 of this bill requires such an applicant to pass each examination required and administered by the National Certification Commission for Acupuncture and Oriental Medicine or its successor organization for certification in Oriental medicine. Additionally, section 8 eliminates several subjects on the examination approved by the Board. For issuance of a license,

section 9 of this bill: (1) revises the educational requirements; (2) requires applicants to hold a current certification in Oriental medicine issued by the National Certification Commission for Acupuncture and Oriental Medicine or its successor organization; and (3) authorizes the counting of certain work experience in lieu of educational experience for applicants who attended a school or college of Oriental medicine before January 1, 2008.

Sections 10 and 11 of this bill consolidate the requirements relating to the renewal of a license. [Section 14 of this bill eliminates the requirement in existing law that the applicant for the issuance or renewal of a license to practice Oriental medicine attest to knowledge of and compliance with certain guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices. (NRS 634A.144)]

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

Section 1. [NRS 634.225 is hereby amended to read as follows:

- <u>634.225</u> *I.* A chiropractor shall not pierce or sever any body tissue, including, without limitation by performing dry needling, except to draw blood for diagnostic purposes.
- 2. As used in this section, "dry needling" has the meaning ascribed to it in NRS 634A.020.1 (Deleted by amendment.)
- Sec. 2. Chapter 634A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A doctor of Oriental medicine licensed pursuant to this chapter may apply to the Board for an endorsement to practice acupuncture point injection therapy. The applicant must submit with his or her application proof that the applicant has:
- (a) Successfully completed postgraduate coursework approved by the National Certification Commission for Acupuncture and Oriental Medicine or a successor organization which provides at least 24 hours of instruction provided in person, including, without limitation, at least 8 hours of instruction received by
- practicum and 2 hours of training in the administration of intramuscular epinephrine; and
- (b) Obtained or otherwise carries a policy of professional liability insurance which insures the applicant against any liability arising from the provision of acupuncture point injection therapy by the applicant.
- 2. The Board shall issue an endorsement to practice acupuncture point injection therapy to an applicant who meets the requirements of subsection 1.
- 3. A licensee who is issued an endorsement to practice acupuncture point injection therapy may only inject substances for which the licensee has received training which may include, without limitation, nutritional, homeopathic and herbal substances. [and local anesthetics, including, without limitation, procaine and lidocaine.]

- 4. As used in this section, "acupuncture point injection therapy" means the subcutaneous, intramuscular and intradermal injection of substances to stimulate acupuncture points, ashi points and trigger points to relieve pain and prevent illness.
  - Sec. 3. NRS 634A.020 is hereby amended to read as follows:
  - 634A.020 As used in this chapter, unless the context otherwise requires:
- 1. "Acupuncture" means the insertion of needles into the human body by piercing the skin of the body to control, [and] regulate, [the flow and balance of energy in the body and to] cure, relieve or palliate [:] the body for therapeutic purposes [::], including, without limitation:
  - (a) Any ailment or disease of the mind or body; [or]
  - (b) Any wound, bodily injury or deformity [:]; or
  - (c) The flow and balance of energy in the body.
  - 2. "Board" means the State Board of Oriental Medicine.
- 3. "Doctor of Oriental medicine" means a person who is licensed under the provisions of this chapter to practice as a doctor of Oriental medicine.
  - 4. "Dry needling":
- (a) Means an advanced needling skill or technique limited to the treatment of myofascial pain, using a single-use, single-insertion, sterile needle without the use of heat, cold or any other added modality or medication, which is inserted into the skin or underlying tissue to stimulate a trigger point.
  - (b) Does not include:
    - (1) The stimulation of an auricular point;
    - (2) Utilization of a distal point or nonlocal point;
    - (3) Needle retention;
    - (4) Application of a retained electrical stimulation lead; or
    - (5) The teaching or application of other acupuncture theory.
- 5. "Herbal medicine" and "practice of herbal medicine" mean suggesting, recommending, prescribing or directing the use of herbs for the cure, relief or palliation of any ailment or disease of the mind or body, or for the cure or relief of any wound, bodily injury or deformity.
- [5.] 6. "Herbs" means [plants or parts of plants valued for medicinal qualities.
- —6.] any plant or part of a plant which is not prohibited by the laws of the United States or this State and is used in tests or examinations in the practice of Oriental medicine.
- 7. "Oriental medicine" means [that] a system of the healing art which places the chief emphasis on the flow and balance of energy in the body mechanism as being the most important single factor in maintaining the well-being of the organism in health and disease. The term includes, without limitation, the practice of acupuncture, [and] herbal medicine, moxibustion, cupping, dry needling and other services approved by the Board.
  - Sec. 3.5. NRS 634A.025 is hereby amended to read as follows:
  - 634A.025 1. This chapter does not apply to Oriental physicians who are:
  - (a) Called into this State for consultation; or

- (b) Temporarily exempt from licensure pursuant to NRS 634A.163 and are practicing Oriental medicine within the scope of the exemption.
  - 2. This chapter does not apply to a practitioner of acupuncture:
- (a) Who is employed by an accredited school of Oriental medicine located in this State;
- (b) Who is licensed to practice acupuncture in another state or jurisdiction; and
  - (c) Whose practice of acupuncture in this State:
- (1) Is limited to teaching, supervising or demonstrating the methods and practices of acupuncture to students in a clinical setting; and
- (2) Does not involve the acceptance of payment from any patient for services relating to his or her practice of acupuncture.
  - 3. This chapter does not apply to  $\frac{a}{2}$ :
- (a) A physician who is licensed pursuant to chapter 630 or 633 of NRS.
- (b) Any other person authorized to practice any other healing art under this title who does so within the scope of that authority.
  - 4. This chapter does not prohibit:
  - (a) Gratuitous services of druggists or other persons in cases of emergency.
  - (b) The domestic administration of family remedies.
- (c) Any person from assisting any person in the practice of the healing arts licensed under this chapter, except that such person may not insert needles into the skin or prescribe herbal medicine.
- 5. For the purposes of this section, "accredited school of Oriental medicine" means a school that has received at least candidacy status for institutional accreditation from the Accreditation Commission for Acupuncture and Oriental Medicine, or its successor organization.
  - Sec. 4. NRS 634A.040 is hereby amended to read as follows:
- 634A.040 1. The Governor shall appoint four members to the Board who:
  - (a) Have a license issued pursuant to this chapter;
- (b) Currently engage in the practice of Oriental medicine in this State, and have engaged in the practice of Oriental medicine in this State for at least 3 years preceding appointment to the Board;
  - (c) Are citizens of the United States; and
- (d) Are residents of the State of Nevada and have been for at least 1 year preceding appointment to the Board.
  - 2. The Governor shall appoint one member to the Board who:
- (a) Is licensed pursuant to chapter 630 of NRS by the Board of Medical Examiners as a physician;
- (b) Does not engage in the administration of a facility for Oriental medicine or a school for Oriental medicine;
- (c) Does not have a pecuniary interest in any matter pertaining to Oriental medicine, except as a patient or potential patient;
  - (d) Is a citizen of the United States; and

- (e) Is a resident of the State of Nevada and has been for at least 1 year preceding appointment to the Board.
  - 3. The Governor shall appoint one member to the Board who:
- (a) Does not engage in the administration of a facility for Oriental medicine or a school for Oriental medicine;
- (b) Does not have a pecuniary interest in any matter pertaining to Oriental medicine, except as a patient or potential patient;
  - (c) Is a citizen of the United States; and
- (d) Is a resident of the State of Nevada and has been for at least 1 year preceding appointment to the Board.
- 4. The Governor shall appoint one member to the Board who represents a school or college of Oriental medicine [whose establishment has been approved by the Board] established pursuant to NRS 634A.090.
  - Sec. 5. NRS 634A.060 is hereby amended to read as follows:
- 634A.060 The Board shall annually elect from its members a President, Vice President and Secretary-Treasurer . [, and may fix and pay a salary to the Secretary Treasurer.]
  - Sec. 6. NRS 634A.080 is hereby amended to read as follows:
  - 634A.080 The Board shall:
- 1. Hold meetings at least once a year and at any other time at the request of the President or the majority of the members;
  - 2. Have and use a common seal;
- 3. Deposit in interest-bearing accounts in the State of Nevada all money received under the provisions of this chapter, which must be used to defray the expenses of the Board;
- 4. [Establish and maintain a list of accredited schools and colleges of Oriental medicine that are approved by the Board;
- -5.] Operate on the basis of the fiscal year beginning July 1 and ending June 30; and
- [6.] 5. Keep a record of its proceedings which must be open to the public at all times and which must contain the name and business address of every registered licensee in this State.
  - Sec. 7. NRS 634A.090 is hereby amended to read as follows:
- 634A.090 1. A school or college of Oriental medicine may be established and maintained in this State only if:
  - (a) Its establishment is approved by the Board; [and]
- (b) [Its curriculum is approved annually by the Board for content and quality of instruction in accordance with the requirements of this chapter.] It is accredited by or has received at least candidacy status for institutional accreditation from the Accreditation Commission for Acupuncture and Oriental Medicine or its successor organization; and
- (c) It holds a current license issued by the Commission on Postsecondary Education.
- 2. The Board may prescribe the course of study required for the degree of doctor of Oriental medicine.

- Sec. 8. NRS 634A.120 is hereby amended to read as follows:
- 634A.120 1. Each applicant for a license to practice as a doctor of Oriental medicine must pass:
- (a) [An examination in Oriental medicine that is administered by a national organization approved by the Board;] Each examination required and administered by the National Certification Commission for Acupuncture and Oriental Medicine or its successor organization for certification in Oriental medicine; and
- (b) [A practical] An examination approved by the Board that tests the applicant's knowledge and understanding of [:]
- (1) Basic medical science:
- (2) Acupuncture;
- (3) Herbal medicine;
- (4) Oriental medicine;
- (5) English proficiency; and
- (6) The] the laws and regulations of this State relating to health and safety in the practice of Oriental medicine.
- 2. The Board may establish by regulation  $\{:\}$  for the examination required by paragraph (b) of subsection 1:
- (a) Additional subject areas to be included in the [practical] examination; and
- (b) Specific methods for the administration of the [practical] examination, including, but not limited to, written, oral, demonstrative, practical or any combination thereof.
- 3. The Board shall contract for the preparation, administration and grading of the [practical] examination [.] required by paragraph (b) of subsection 1.
- 4. Except as otherwise provided in subsection 5, the Board shall offer the [practical] examination *required by paragraph* (b) of subsection 1 at least two times each year at a time and place established by the Board.
- 5. The Board may cancel a scheduled [practical] examination required by paragraph (b) of subsection 1 if, within 60 days before the examination, the Board has not received a request to take the examination.
- 6. A person who fails the [practical] examination required by paragraph (b) of subsection 1 may retake the examination.
  - Sec. 9. NRS 634A.140 is hereby amended to read as follows:
- 634A.140 1. The Board shall issue a license to practice as a doctor of Oriental medicine to an applicant who:
  - [1.] (a) Has:
- [(a)] (1) Successfully completed an accredited 4-year program of study, or its equivalent, in Oriental medicine at a school or college of Oriental medicine accredited by the Accreditation Commission for Acupuncture and Oriental Medicine or its successor organization that [is approved] meets any requirements prescribed by the Board [.] pursuant to NRS 634A.090, including, without limitation, requirements concerning clinical and didactic components;

- [(b)] (2) Earned a bachelor's degree , or completed a combined bachelor's and master's degree program in Oriental medicine, from an accredited college or university in the United States;
- $\frac{\{(e)\}}{\{(a)\}}$  (3) Passed an investigation of his or her background and personal history conducted by the Board; and
  - [(d)] (4) Passed the examinations required by NRS 634A.120; [or] and
- (b) Holds a current certification in Oriental medicine issued by the National Certification Commission for Acupuncture and Oriental Medicine or its successor organization.
- 2. Except as otherwise provided in subsection 3, the Board may issue a license to practice as a doctor of Oriental medicine to an applicant who:
- (a) Has:
- $\frac{\{(a)\}}{\{(a)\}}$  (1) Successfully completed a 4-year program of study, or its equivalent, in Oriental medicine at a school or college of Oriental medicine that is approved by the Board  $\frac{\{(a)\}}{\{(a)\}}$
- —(b)] and meets any requirements prescribed by the Board pursuant to NRS 634A.090, including, without limitation, requirements concerning clinical and didactic components;
- (2) Lawfully practiced Oriental medicine in another state or foreign country for at least 4 years;
- [(e)] (3) Passed an investigation of his or her background and personal history conducted by the Board; and
  - [(d)] (4) Passed the examinations required by NRS 634A.120 [...]; and
- (b) Holds a current certification in Oriental medicine issued by the National Certification Commission for Acupuncture and Oriental Medicine or its successor organization.
- 3. The Board may issue a license to practice as a doctor of Oriental medicine to an applicant who:
  - (a) Has:
- (1) Successfully completed a program in Oriental medicine from a school or college of Oriental medicine accredited by the Accreditation Commission for Acupuncture and Oriental Medicine or its successor organization before January 1, 2008, that included the study of herbology;
- (2) Practiced Oriental medicine pursuant to the laws of another state or territory of the United States, the District of Columbia, or foreign country for at least of 6 of the 8 years immediately preceding the date of the application;
- (3) Passed an investigation of his or her background and personal history conducted by the Board; and
  - (4) Passed the examinations required by NRS 634A.120; and
- (b) Holds a current certification in Oriental medicine issued by the National Certification Commission for Acupuncture and Oriental Medicine or its successor organization.
  - Sec. 10. NRS 634A.160 is hereby amended to read as follows:
- 634A.160 [1.] Every license must be displayed in the office, place of business or place of employment of the holder thereof.

- [2. Every person holding a license shall pay to the Board on or before February 1 of each year, the annual fee for a license required pursuant to subsection 4. The holder of a license shall submit with the fee all information required to complete the renewal of the license. If the holder of a license fails to pay the fee or submit all required information, the license must be suspended. The license may be reinstated by payment of the required fee and submission of all required information within 90 days after February 1.
- 3. A license which is suspended for more than 3 months under the provisions of subsection 2 may be cancelled by the Board after 30 days' notice to the holder of the license.
- 4. The annual fee for a license must be prescribed annually by the Board and must not exceed \$1,000.]
  - Sec. 11. NRS 634A.167 is hereby amended to read as follows:
- 634A.167 1. To renew a license issued pursuant to this chapter, each person must, on or before February 1 of each year:
  - (a) Apply to the Board for renewal;
- (b) Pay the annual fee for a license prescribed by the Board [;], which must not exceed \$1,000;
- (c) Submit evidence to the Board of completion of the requirements for continuing education; and
  - (d) Submit all information required to complete the renewal.
- 2. The Board shall, as a prerequisite for the renewal or reinstatement of a license, require each holder of a license to comply with the requirements for continuing education adopted by the Board.
- 3. If the holder of a license fails to pay the fee or submit all required information by February 1 of each year, the license expires automatically. The license may be reinstated by payment of the required fee and submission of all required information within 90 days after the expiration of the license pursuant to this subsection.
  - Sec. 12. NRS 640.024 is hereby amended to read as follows:
  - 640.024 "Practice of physical therapy":
  - 1. Includes:
- (a) The performing and interpreting of tests and measurements as an aid to evaluation or treatment;
- (b) The planning of initial and subsequent programs of treatment on the basis of the results of tests; and
- (c) The administering of treatment through the use of therapeutic exercise and massage, the mobilization of joints by the use of therapeutic exercise without chiropractic adjustment, mechanical devices, and therapeutic agents which employ the properties of air, water, electricity, sound and radiant energy  $\Box$  and the use of the technique of dry needling if authorized by regulation by the Board.
  - 2. Does not include:
  - (a) The diagnosis of physical disabilities;
  - (b) The use of roentgenic rays or radium;

- (c) The use of electricity for cauterization or surgery; or
- (d) The occupation of a masseur who massages only the superficial soft tissues of the body  $\underline{\cdot}$  f: or

### (c) The use of the technique of dry needling, as defined in NRS 634A.020.]

Sec. 12.5. NRS 640.050 is hereby amended to read as follows:

640.050 1. The Board shall:

- (a) Enforce the provisions of this chapter and any regulations adopted pursuant thereto;
- (b) Evaluate the qualifications and determine the eligibility of an applicant for a license as a physical therapist or physical therapist assistant and, upon payment of the applicable fee, issue the appropriate license to a qualified applicant;
  - (c) Investigate any complaint filed with the Board against a licensee; and
- (d) Unless the Board determines that extenuating circumstances exist, forward to the appropriate law enforcement agency any substantiated information submitted to the Board concerning a person who practices as a physical therapist or physical therapist assistant without a license.
- 2. The Board may adopt reasonable regulations to carry this chapter into effect, including, but not limited to, regulations concerning the:
  - (a) Issuance and display of licenses.
- (b) Supervision of physical therapist assistants and physical therapist technicians.
- 3. The Board may prescribe by regulation the scope of the use of the technique of dry needling by a physical therapist. If the Board adopts such regulations, the regulations must, without limitation, establish requirements for training that a physical therapist must successfully complete before administering treatment through the use of the technique of dry needling.
- [3.] 4. The Board shall prepare and maintain a record of its proceedings, including, without limitation, any disciplinary proceedings.
- [4.] 5. The Board shall maintain a list of licensed physical therapists authorized to practice physical therapy and physical therapist assistants licensed to assist in the practice of physical therapy in this State.
  - [5.] <u>6.</u> The Board may:
- (a) Maintain offices in as many localities in the State as it finds necessary to carry out the provisions of this chapter.
- (b) Employ attorneys, investigators and other professional consultants and clerical personnel necessary to the discharge of its duties.
  - (c) Adopt a seal of which a court may take judicial notice.
- [6-] 7. Any member or agent of the Board may enter any premises in this State where a person who holds a license issued pursuant to the provisions of this chapter practices physical therapy or as a physical therapist assistant and inspect the premises to determine whether a violation of any provision of this chapter or any regulation adopted pursuant thereto has occurred, including, without limitation, an inspection to determine whether any person at the premises is practicing physical therapy or as a physical therapist assistant

without the appropriate license issued pursuant to the provisions of this chapter.

- [7.] 8. Any voting member of the Board may administer an oath to a person testifying in a matter that relates to the duties of the Board.
- 9. As used in this section, "dry needling" has the meaning ascribed to it in NRS 634A.020.
  - Sec. 13. [NRS 640.190 is hereby amended to read as follows:
- -640.190 This chapter does not authorize a physical therapist, whether licensed or not, to practice medicine, osteopathic medicine, homeopathic medicine, chiropractic, *Oriental medicine* or any other form or method of healing.] (Deleted by amendment.)
  - Sec. 14. [NRS 634A.144 is hereby repealed.] (Deleted by amendment.)
- Sec. 15. This act becomes effective upon passage and approval for the purposes of adopting regulations and performing any other administrative tasks that are necessary to carry out the provisions of this act, and on January 1, 2020, for all other purposes.

### **ITEXT OF REPEALED SECTION**

[634A.144 Board prohibited from issuing or renewing license unless applicant attests to certain information related to safe and appropriate injection practices. The Board shall not issue or renew a license to practice Oriental medicine unless the applicant for issuance or renewal of the license attests to knowledge of and compliance with the guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices.]

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 485 makes seven changes to Senate Bill No. 355. The amendment deletes section 1 in its entirety, which clarifies that a chiropractor is prohibited from performing dry needling; amends section 2 to remove the authority for a person licensed by endorsement to practice acupuncture to inject local anesthetics, including, without limitation, procaine and lidocaine; clarifies the definition of "acupuncture"; amends section 3 to clarify the definition of "Oriental medicine" within chapter 634A of *Nevada Revised Statutes* governing doctors of Oriental medicine; amends the bill to authorize the Nevada Physical Therapy Board to prescribe by regulation the scope of the use of dry needling by a physical therapist, deletes section 13 in its entirety, relating to the practice of physical therapy, and deletes section 14, which eliminates the requirement that an applicant to practice Oriental medicine attest to knowledge of and compliance with certain guidelines of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 392.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary: Amendment No. 186.

SUMMARY—[Transfers the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels from the Real

Estate Division of the Department of Business and Industry to the Office of the Attorney General.] Revises provisions relating to real property. (BDR [18-1044)] 10-1044)

AN ACT relating to [common interest communities; transferring the Office of the Ombudsman for Owners in Common Interest Communities and Condominium Hotels from] real property; revising provisions relating to the employment of persons by the Real Estate Division of the Department of Business and Industry [to the Office of the Attorney General;]; revising provisions relating to the legal representation of the Division; authorizing the creation of a task force to study certain issues; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Office of the Ombudsman for Owners in Common Interest Communities and Condominium Hotels within the Real Estate Division of the Department of Business and Industry to investigate and resolve disputes between certain parties in common-interest communities and condominium hotels. (NRS 116.625, 116.765) [Sections 1 and 5 of this bill transfer the Office of the Ombudsman from the Real Estate Division to the Office of the Attorney General. Sections 2, 3, 10 and 11 of this hill make conforming changes to certain required forms. Section 6 of this bill provides that any costs or expenses of the Office of the Ombudsman may be paid to the extent money is available from the Account for Common-Interest Communities and Condominium Hotels, which is administered by the Administrator of the Real Estate Division. Sections 7, 8, 14 and 15 of this bill provide for the continuing jurisdiction and protection from liability of the transferred Office of the Ombudsman. Finally, section 16 of this bill provides that all pending claims or complaints will transfer to the new Office of the Ombudsman on July 1, 2019.] Existing law also: (1) authorizes the Division to employ experts, attorneys, investigators, consultants and other personnel as are necessary to carry out the provisions of chapters 116 and 116B of NRS; and (2) requires the Attorney General to act as the attorney for the Division in all actions and proceedings brought against or by the Division pursuant to the provisions of chapters 116 and 116B. (NRS 116.620, 116B.810) Sections 1.3 and 1.5 of this bill provide that: (1) at least one person employed by the Division must be a certified public accountant or have training, expertise and experience in performing audits; (2) the Attorney General must designate one of his or her deputies to serve as legal counsel for the Division, and the deputy so designated must have legal experience and expertise in cases involving fraud or fiscal malfeasance; and (3) the designated deputy attorney general must assist the Ombudsman in performing certain statutory duties of the Ombudsman.

<u>Section 1.7 of this bill authorizes the creation of a task force to study issues of concern to common-interest communities in this State.</u>

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

- Section 1. [Chapter 228 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Attorney General shall:
- (a) Administer the Office of the Ombudsman for Owners is Common Interest Communities and Condominium Hotels: and
- (b) Appoint the Ombudsman in accordance with the provisions of NRS 116.625.
- 2. The Attorney General may submit claims to the Administrator of the Real Estate Division of the Department of Business and Industry for the costs and expenses of the Office of the Ombudsman. To the extent that money is available for that purpose, those costs and expenses must be reimbursed from the Account for Common-Interest Communities and Condominium Hotels created by NRS 116.630.
- 3. The Attorney General may recommend such regulations as are necessary to carry out the provisions of this section for adoption by the Commission for Common Interest Communities and Condominium Hotels pursuant to NRS 116.625.1 (Deleted by amendment.)
  - Sec. 1.3. NRS 116.620 is hereby amended to read as follows:
- 116.620 1. Except as otherwise provided in this section and within the limits of legislative appropriations and any other money available for this purpose, the Division may employ experts, attorneys, investigators, consultants and other personnel as are necessary to carry out the provisions of this chapter. At least one person employed pursuant to this subsection or NRS 116B.810 must be a certified public accountant certified to practice in this State pursuant to the provisions of chapter 628 of NRS or have training, expertise and experience in performing audits.
- 2. The Attorney General shall <u>designate one of his or her deputies to</u> act as the attorney for the Division in all actions and proceedings brought against or by the Division pursuant to the provisions of this chapter. <u>The Deputy Attorney General so designated must have legal experience and expertise in cases involving fraud or fiscal malfeasance.</u>
- 3. The [Attorney General] deputy attorney general designated pursuant to subsection 2 shall [render]:
- <u>(a) Render</u> to the Commission and the Division opinions upon all questions of law relating to the construction or interpretation of this chapter, or arising in the administration thereof, that may be submitted to the [Attorney General] <u>deputy attorney general</u> by the Commission or the Division.
- (b) Assist the Ombudsman in performing his or duties to assist in the resolution of affidavits filed pursuant to NRS 116.760 and to prepare reports required pursuant to NRS 116.765.
  - Sec. 1.5. NRS 116B.810 is hereby amended to read as follows:
- 116B.810 1. Except as otherwise provided in this section and within the limits of legislative appropriations and any other money available for this purpose, the Division may employ experts, attorneys, investigators, consultants and other personnel as are necessary to carry out the provisions of

this chapter. At least one person employed pursuant to this subsection or NRS 116.620 must be a certified public accountant certified to practice in this State pursuant to the provisions of chapter 628 of NRS or have training, expertise and experience in performing audits.

- 2. The Attorney General shall <u>designate one of his or her deputies to</u> act as the attorney for the Division in all actions and proceedings brought against or by the Division pursuant to the provisions of this chapter. <u>The deputy attorney general so designated must have legal experience and expertise in cases involving fraud or fiscal malfeasance.</u>
- 3. The [Attorney General] deputy attorney general designated pursuant to subsection 2 shall [render]:
- <u>(a) Render</u> to the Commission and the Division opinions upon all questions of law relating to the construction or interpretation of this chapter, or arising in the administration thereof, that may be submitted to the [Attorney General] deputy attorney general by the Commission or the Division.
- (b) Assist the Ombudsman in performing his or duties to assist in the resolution of affidavits filed pursuant to NRS 116B.885 and to prepare reports required pursuant to NRS 116B.890.
- Sec. 1.7. 1. The Director of the Department of Business and Industry may establish a task force to study issues of concern to common-interest communities in this State and, if appropriate, to recommend the enactment of legislation or adoption of regulations that would be beneficial to common-interest communities in this State.
- 2. If the Director establishes a task force pursuant to subsection 1:
- (a) The Director shall serve as Chair of the task force.
- (b) The task force must include members who are representatives from:
- (1) The Real Estate Division of the Department of Business and Industry.
- (2) The Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels.
  - (3) The Office of the Attorney General.
  - (4) The common-interest community industry, appointed by the Director.
- (c) The task force shall meet at such times as deemed necessary by the Chair.
- (d) Members of the task force serve without compensation.
- Sec. 2. [NRS 116.311635 is hereby amended to read as follows:
- —116.311635—1. The association or other person conducting the sale shall also, after the expiration of the 90 day period described in paragraph (c) of subsection 1 of NRS 116.31162 and before selling the unit, give notice of the time and place of the sale by recording the notice of sale and by:
- (a) Posting a similar notice particularly describing the unit, for 20 days consecutively, in a public place in the county where the unit is situated;
- (b) Publishing a copy of the notice three times, once each week for 3 consecutive weeks, in a newspaper of general circulation in the county where the unit is situated:
- (e) Notifying the unit's owner or his or her successor in interest as follows:

- (1) A copy of the notice of sale must be mailed, on or before the date of first publication or posting, by certified or registered mail, return receipt requested, to the unit's owner or his or her successor in interest at his or her address, if known, and to the address of the unit; and
- (2) A copy of the notice of sale must be served, on or before the date of first publication or posting, in the manner set forth in subsection 2; and
- (d) Mailing, on or before the date of first publication or posting, a copy of the notice by certified mail to:
- (1) Each person entitled to receive a copy of the notice of default and election to sell notice under subsection 1 of NRS 116.31163:
- (2) The holder of a security interest recorded before the mailing of the notice of sale, at the address of the holder that is provided pursuant to NRS 657.110 on the Internet website maintained by the Division of Financial Institutions of the Department of Business and Industry; and
- (3) The Ombudsman.
- -2. In addition to the requirements set forth in subsection 1, a copy of the notice of sale must be served:
- (a) By a person who is 18 years of age or older and who is not a party to or interested in the sale by personally delivering a copy of the notice of sale to an occupant of the unit who is of suitable age; or
- (b) By posting a copy of the notice of sale in a conspicuous place on the unit.
- -3. Any copy of the notice of sale required to be served pursuant to this section must include:
- (a) The amount necessary to satisfy the lien as of the date of the proposed sale; and
- (b) The following warning in 14-point bold type:

  WARNING! A SALE OF YOUR PROPERTY IS IMMINENT!

  UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE

  BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME,

  EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT

  BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS,

  PLEASE CALL (name and telephone number of the contact person for
  the association). IF YOU NEED ASSISTANCE, PLEASE CALL THE

  FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE,
  [NEVADA REAL ESTATE DIVISION,] OFFICE OF THE

  ATTORNEY GENERAL, AT (toll free telephone number designated by
  the [Division]) Office of the Ombudsman) IMMEDIATELY.
- 4. Proof of service of any copy of the notice of sale required to be served pursuant to this section must consist of:
- (a) A certificate of mailing which evidences that the notice was mailed through the United States Postal Service; or
- (b) An affidavit of service signed by the person who served the notice stating:
- (1) The time of service, manner of service and location of service; and

- (2) The name of the person served or, if the notice was not served on a person, a description of the location where the notice was posted on the unit.] (Deleted by amendment.)
  - Sec. 3. [NRS 116.41095 is hereby amended to read as follows:

116.41095 The information statement required by NRS 116.4103 and 116.4109 must be in substantially the following form:

# BEFORE YOU PURCHASE PROPERTY IN A COMMON INTEREST COMMUNITY

<del>DID YOU KNOW . . .</del>

- 1. YOU GENERALLY HAVE 5 DAYS TO CANCEL THE PURCHASE AGREEMENT?

When you enter into a purchase agreement to buy a home or unit in a common-interest community, in most cases you should receive either a public offering statement, if you are the original purchaser of the home or unit, or a resale package, if you are not the original purchaser. The law generally provides for a 5 day period in which you have the right to cancel the purchase agreement. The 5-day period begins on different starting dates, depending on whether you receive a public offering statement or a resale package. Upon receiving a public offering statement or a resale package, you should make sure you are informed of the deadline for exercising your right to cancel. In order to exercise your right to cancel, the law generally requires that you hand deliver the notice of cancellation to the seller within the 5 day period, or mail the notice of cancellation to the seller by prepaid United States mail within the 5-day period. Alternatively, if you are not the original purchaser and received a resale package, you may deliver the notice of cancellation by electronic transmission to the seller within the 5-day period in order to exercise your right to cancel. For more information regarding your right to cancel see Nevada Revised Statutes 116,4108, if you received a public offering statement, or Nevada Revised Statutes 116,4109, if you received a resale package.

2. YOU ARE AGREEING TO RESTRICTIONS ON HOW YOU CAN USE YOUR PROPERTY?

These restrictions are contained in a document known as the Declaration of Covenants, Conditions and Restrictions. The CC&Rs become a part of the title to your property. They bind you and every future owner of the property whether or not you have read them or had them explained to you. The CC&Rs, together with other "governing documents" (such as association bylaws and rules and regulations), are intended to preserve the character and value of properties in the community, but may also restrict what you can do to improve or change your property and limit how you use and enjoy your property. By purchasing a property encumbered by CC&Rs, you are agreeing to limitations that could affect your lifestyle and freedom of choice. You should review the CC&Rs, and other governing documents before

purchasing to make sure that these limitations and controls are acceptable to you. Certain provisions in the CC&Rs and other governing documents may be superseded by contrary provisions of chapter 116 of the Nevada Revised Statutes. The Nevada Revised Statutes are available at the Internet address http://www.leg.state.nv.us/nrs/.

## 3. YOU WILL HAVE TO PAY OWNERS' ASSESSMENTS FOR

As an owner in a common-interest community, you are responsible for paying your share of expenses relating to the common elements, such as landscaping, shared amenities and the operation of any homeowners! association. The obligation to pay these assessments binds you and every future owner of the property. Owners' fees are usually assessed by the homeowners' association and due monthly. You have to nay dues whether or not you agree with the way the association is managing the property or spending the assessments. The executive board of the association may have the power to change and increase the amount of the assessment and to levy special assessments against your property to meet extraordinary expenses. In some communities, major components of the common elements of the community such as roofs and private roads must be maintained and replaced by the association. If the association is not well managed or fails to provide adequate funding for reserves to repair, replace and restore common elements, you may be required to pay large, special assessments to accomplish these tasks.

### 4. IF YOU FAIL TO PAY OWNERS' ASSESSMENTS, YOU COULD LOSE YOUR HOME?

If you do not pay these assessments when due, the association usually has the power to collect them by selling your property in a nonjudicial foreclosure sale. If fees become delinquent, you may also be required to pay penalties and the association's costs and attorney's fees to become current. If you dispute the obligation or its amount, your only remedy to avoid the loss of your home may be to file a lawsuit and ask a court to intervene in the dispute.

# 5. YOU MAY BECOME A MEMBER OF A HOMEOWNERS' ASSOCIATION THAT HAS THE POWER TO AFFECT HOW YOU LISE AND ENJOY YOUR PROPERTY?

Many common interest communities have a homeowners' association. In a new development, the association will usually be controlled by the developer until a certain number of units have been sold. After the period of developer control, the association may be controlled by property owners like yourself who are elected by homeowners to sit on an executive board and other boards and committees formed by the association. The association, and its executive board, are responsible for assessing homeowners for the cost of operating the association and the common or shared elements of the community and for the day to day

operation and management of the community. Because homeowners sitting on the executive board and other boards and committees of the association may not have the experience or professional background required to understand and carry out the responsibilities of the association properly, the association may hire professional community managers to carry out these responsibilities.

Homeowners' associations operate on democratic principles. Some decisions require all homeowners to vote, some decisions are made by the executive board or other boards or committees established by the association or governing documents. Although the actions of the association and its executive board are governed by state laws CC&Rs and other documents that govern the common-interest community, decisions made by these persons will affect your use and enjoyment of your property, your lifestyle and freedom of choice. and your cost of living in the community. You may not agree with decision made by the association or its governing bodies even though decisions are ones which the association is authorized to Decisions may be made by a few persons on the executive board or governing hodies that do not necessarily reflect the view of the majority of homeowners in the community. If you do not agree with decisions made by the association, its executive board or other governing bodies, your remedy is typically to attempt to use the democratic processes of the association to seek the election of members of the executive board or other governing bodies that are more responsive to your needs. If you have a dispute with the association its executive board or other governing bodies, you may be able to resolve the dispute through the complaint, investigation and intervention process administered by the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels [.] or the Nevada Real Estate Division and the Commission for Common-Interest Communities and Condominium Hotels. However, to resolve some disputes, you may have to mediate or arbitrate the dispute and if mediation or arbitration is unsuccessful, you may have to file a lawsuit and ask a court to resolve the dispute. In addition to your personal cost in mediation or arbitration or to prosecute a lawsuit, you may be responsible for paying your share of the association's cost in defending against your claim.

6. YOU ARE REQUIRED TO PROVIDE PROSPECTIVE PURCHASERS OF YOUR PROPERTY WITH INFORMATION ABOUT LIVING IN YOUR COMMON-INTEREST COMMUNITY? The law requires you to provide a prospective purchaser of your property with a copy of the community's governing documents, including the CC&Rs, association bylaws, and rules and regulations, as well as a copy of this document. You are also required to provide a copy of the association's current year to date financial statement, including, without limitation, the most recent audited or reviewed financial

statement, a copy of the association's operating budget and information regarding the amount of the monthly assessment for common expenses, including the amount set aside as reserves for the repair, replacement and restoration of common elements. You are also required to inform prospective purchasers of any outstanding judgments or lawsuits pending against the association of which you are aware. For more information regarding these requirements, see Nevada Revised Statutes 116.4109.

-7. YOU HAVE CERTAIN RIGHTS REGARDING OWNERSHIP IN A COMMON INTEREST COMMUNITY THAT ARE GLIABANTEED YOURY THE STATE?

Pursuant to provisions of chapter 116 of Nevada Revised Statutes, you have the right:

- (a) To be notified of all meetings of the association and its executive board, except in cases of emergency.
- (b) To attend and speak at all meetings of the association and its executive board, except in some cases where the executive board is authorized to meet in closed, executive session.
- (c) To request a special meeting of the association upon petition of at least 10 percent of the homeowners.
- (d) To inspect, examine, photocopy and audit financial and other records of the association.
- (e) To be notified of all changes in the community's rules and regulations and other actions by the association or board that affect you.
  — 8—OUESTIONS?

Although they may be voluminous, you should take the time to read and understand the documents that will control your ownership of a property in a common-interest community. You may wish to ask your real estate professional, lawyer or other person with experience to explain anything you do not understand. You may also request assistance from the Office of the Ombudsman for Owners in Common Interest Communities and Condominium Hotels, [Nevada Real Estate Division,] Office of the Attorney General, at (telephone number [).] designated by the Office of the Ombudsman).

Buyer or prospective buyer's initials:\_\_\_\_\_

<del>Date: | (Deleted by amendment.)</del>

Sec. 4. [NRS 116.615 is hereby amended to read as follows:

- —116.615—1. [The] Except as otherwise provided in section 1 of this act, the provisions of this chapter must be administered by the Division, subject to the administrative supervision of the Director of the Department of Business and Industry.
- 2. The Commission and the Division may do all things necessary and convenient to carry out the provisions of this chapter, including, without limitation, prescribing such forms and adopting such procedures as are necessary to carry out the provisions of this chapter.

- 3. The Commission, or the Administrator with the approval of the Commission, may adopt such regulations as are necessary to earry out the provisions of this chapter.
- 4. The Commission may by regulation delegate any authority conferred upon it by the provisions of this chapter to the Administrator to be exercised pursuant to the regulations adopted by the Commission.
- 5. When regulations are proposed by the Administrator, in addition to other notices required by law, the Administrator shall provide copies of the proposed regulations to the Commission not later than 30 days before the next meeting of the Commission. The Commission shall approve, amend or disapprove any proposed regulations at that meeting.
- 6. All regulations adopted by the Commission, or adopted by the Administrator with the approval of the Commission, must be published by the Division, posted on its website and offered for sale at a reasonable fee.] (Deleted by amendment.)
  - Sec. 5. [NRS 116.625 is hereby amended to read as follows:
- —116.625 1. The Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels is hereby created within the [Division.] Office of the Attorney General.
- 2. The [Administrator] Attorney General shall appoint the Ombudsman. The Ombudsman is in the unclassified service of the State.
- 3. The Ombudsman must be qualified by training and experience to perform the duties and functions of office.
- 4. In addition to any other duties set forth in this chapter, the Ombudsman shall:
- —(a) Assist in processing claims submitted to mediation or arbitration or referred to a program pursuant to NRS 38.300 to 38.360, inclusive;
- (b) Assist owners in common interest communities and condominium hotels to understand their rights and responsibilities as set forth in this chapter and chapter 116B of NRS and the governing documents of their associations, including, without limitation, publishing materials related to those rights and responsibilities;
- (e) Assist members of executive boards and officers of associations to earry out their duties:
- (d) When appropriate, investigate disputes involving the provisions of this chapter or chapter 116B of NRS or the governing documents of an association and assist in resolving such disputes; and
- (e) Compile and maintain a registration of each association organized within the State which includes, without limitation, the following information:
  - (1) The name, address and telephone number of the association;
- (2) The name of each community manager for the common interest community or the association of a condominium hotel and the name of any other person who is authorized to manage the property at the site of the common interest community or condominium hotel;

- (3) The names, mailing addresses and telephone numbers of the members of the executive board of the association:
- (4) The name of the declarant:
- (5) The number of units in the common interest community or condominium hotel:
- (6) The total annual assessment made by the association;
- (7) The number of forcelosures which were completed on units within the common interest community or condominium hotel and which were based on liens for the failure of the unit's owner to pay any assessments levied against the unit or any fines imposed against the unit's owner; and
- (8) Whether the study of the reserves of the association has been conducted pursuant to NRS 116.31152 or 116B.605 and, if so, the date on which it was completed.] (Deleted by amendment.)
  - Sec. 6. [NRS-116.630 is hereby amended to read as follows:
- 116.630—1. There is hereby created the Account for Common-Interest Communities and Condominium Hotels in the State General Fund. The Account must be administered by the Administrator.
- 2. Except as otherwise provided in subsection 3, all money received by the Commission, a hearing panel or the Division pursuant to this chapter or chapter 116B of NRS, including, without limitation, the fees collected pursuant to NRS 116.31155 and 116B.620, must be deposited into the Account.
- 3. If the Commission imposes a fine or penalty, the Commission shall deposit the money collected from the imposition of the fine or penalty with the State Treasurer for credit to the State General Fund. If the money is so deposited, the Commission may present a claim to the State Board of Examiners for recommendation to the Interim Finance Committee if money is required to pay attorney's fees or the costs of an investigation, or both.
- 4. The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.
- 5. The money in the Account must be used solely to defray:
- (a) The costs and expenses of the Commission and the Office of the Ombudsman:
- (b) If authorized by the Commission or any regulations adopted by the Commission, the costs and expenses of subsidizing proceedings for mediation, arbitration and a program conducted pursuant to NRS 38.300 to 38.360, inclusive; and
- (e) If authorized by the Legislature or by the Interim Finance Committee if the Legislature is not in session, the costs and expenses of administering the Division.
- 6. The Administrator shall pay any claims submitted by the Office of the Attorney General pursuant to section 1 of this act to reimburse the costs and expenses of the Office of the Ombudsman.] (Deleted by amendment.)
  - Sec. 7. [NRS 116.635 is hereby amended to read as follows:

—116.635 The Commission and its members, each hearing panel and its members, the Administrator, the Ombudsman, the Office of the Ombudsman, the Division, and the experts, attorneys, investigators, consultants and other personnel of the Commission, the Office of the Ombudsman and the Division are immune from any civil liability for any decision or action taken in good faith and without malicious intent in carrying out the provisions of this chapter.] (Deleted by amendment.)

- Sec. 8. [NRS-116.750 is hereby amended to read as follows:
- —116.750—1. In carrying out the provisions of NRS 116.745 to 116.795, inclusive, the Division and the *Office of the* Ombudsman have jurisdiction to investigate and the Commission and each hearing panel has jurisdiction to take appropriate action against any person who commits a violation, including, without limitation:
- (a) Any association and any officer, employee or agent of an association.
- (b) Any member of an executive board.
- (e) Any community manager who holds a certificate and any other community manager.
- (d) Any person who is registered as a reserve study specialist, or who conducts a study of reserves, pursuant to chapter 116A of NRS.
- (c) Any declarant or affiliate of a declarant.
- (f) Any unit's owner.
- (g) Any tenant of a unit's owner if the tenant has entered into an agreement with the unit's owner to abide by the governing documents of the association and the provisions of this chapter and any regulations adopted pursuant thereto.
   2. The jurisdiction set forth in subsection 1 applies to any officer, employee or agent of an association or any member of an executive board who commits a violation and who:
- (a) Currently holds his or her office, employment, agency or position or who held the office, employment, agency or position at the commencement of proceedings against him or her.
- (b) Resigns his or her office, employment, agency or position:
- (1) After the commencement of proceedings against him or her; or
- (2) Within 1 year after the violation is discovered or reasonably should have been discovered.] (Deleted by amendment.)
  - Sec. 9. INRS 116.757 is hereby amended to read as follows:
- —116.757—1. Except as otherwise provided in this section and NRS 239.0115, a written affidavit filed with the Division pursuant to NRS 116.760, all documents and other information filed with the written affidavit and all documents and other information compiled as a result of an investigation conducted to determine whether to file a formal complaint with the Commission are confidential. The Division and the Office of the Ombudsman shall not disclose any information that is confidential pursuant to this subsection, in whole or in part, to any person, including, without limitation, a person who is the subject of an investigation or complaint, unless

and until a formal complaint is filed pursuant to subsection 2 and the disclosure is required pursuant to subsection 2.

- 2. A formal complaint filed by the Administrator with the Commission and all documents and other information considered by the Commission or a hearing panel when determining whether to impose discipline or take other administrative action pursuant to NRS 116.745 to 116.795, inclusive, are public records.] (Deleted by amendment.)
- Sec. 10. [NRS 116B.645 is hereby amended to read as follows:
- —116B.645—1. The association or hotel unit owner, as applicable, shall also, after the expiration of the 90 days and before selling the unit:
- (a) Give notice of the time and place of the sale in the manner and for a time not less than that required by law for the sale of real property upon execution, except that in lieu of following the procedure for service on a judgment debtor pursuant to NRS 21.130, service must be made on the residential unit owner as follows:
- (1) A copy of the notice of sale must be mailed, on or before the date of first publication or posting, by certified or registered mail, return receipt requested, to the residential unit owner or his or her successor in interest at the residential unit owner's address, if known, and to the address of the residential unit: and
- (2) A copy of the notice of sale must be served, on or before the date of first publication or posting, in the manner set forth in subsection 2; and
- (b) Mail, on or before the date of first publication or posting, a copy of the notice by first-class mail to:
- (1) Each person entitled to receive a copy of the notice of default and election to sell notice under NRS 116B.640:
- (2) The holder of a recorded security interest or the purchaser of the residential unit, if either of them has notified the association, before the mailing of the notice of sale, of the existence of the security interest, lease or contract of sale, as applicable; and
- (3) The Ombudsman.
- -2. In addition to the requirements set forth in subsection 1, a copy of the notice of sale must be served:
- (a) By a person who is 18 years of age or older and who is not a party to or interested in the sale by personally delivering a copy of the notice of sale to an occupant of the residential unit who is of suitable age; or
- (b) By posting a copy of the notice of sale in a conspicuous place on the residential unit.
- 3. Any copy of the notice of sale required to be served pursuant to this section must include:
- (a) The amount necessary to satisfy the lien as of the date of the proposed sale; and
- (b) The following warning in 14 point bold type:

  WARNING! A SALE OF YOUR PROPERTY IS IMMINENT!

  UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE

BEFORE THE SALE DATE, YOU COULD LOSE YOUR UNIT, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL (name and telephone number of the contact person for the association or hotel unit owner). IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, [NEVADA REAL ESTATE DIVISION,] OFFICE OF THE ATTORNEY GENERAL, AT (tell free telephone number designated by the [Division)] Office of the Ombudsman) IMMEDIATELY.

- 4. Proof of service of any copy of the notice of sale required to be served pursuant to this section must consist of:
- (a) A certificate of mailing which evidences that the notice was mailed through the United States Postal Service; or
- (b) An affidavit of service signed by the person who served the notice stating:
  - -(1) The time of service, manner of service and location of service; and
- (2) The name of the person served or, if the notice was not served on a person, a description of the location where the notice was posted on the residential unit.] (Deleted by amendment.)
- Sec. 11. [NRS 116B.765 is hereby amended to read as follows:

  116B.765 The information statement required by NRS 116B.735 and 116B.760 must be in substantially the following form:

## BEFORE YOU PURCHASE PROPERTY IN A CONDOMINIUM HOTEL DID YOU KNOW.

1. YOU GENERALLY HAVE 5 DAYS TO CANCEL THE PURCHASE AGREEMENT?

When you enter into a purchase agreement to buy a home or unit in a condominium hotel, in most cases you should receive either a public offering statement, if you are the original purchaser of the home or unit. or a resale package, if you are not the original purchaser. The law generally provides for a 5-day period in which you have the right to cancel the purchase agreement. The 5-day period begins on different starting dates, depending on whether you receive a public offering statement or a resale package. Upon receiving a public offering statement or a resale package, you should make sure you are informed of the deadline for exercising your right to cancel. In order to exercise your right to cancel, the law generally requires that you hand deliver the notice of cancellation to the seller within the 5-day period, or mail the notice of cancellation to the seller by prepaid United States mail within the 5 day period. For more information regarding your right to cancel, see NRS 116B.755, if you received a public offering statement, or NRS 116B.760, if you received a resale package.

2. YOU ARE AGREEING TO RESTRICTIONS ON HOW YOU CAN USE YOUR PROPERTY?

These restrictions are contained in a document known as the Declaration of Covenants, Conditions and Restrictions, The CC&Rs become a part of the title to your property. They bind you and every future owner of the property whether or not you have read them or had them explained to you. The CC&Rs, together with other "governing documents" (such as association bylaws and rules and regulations), are intended to preserve the character and value of properties in the condominium hotel, but may also restrict what you can do to improve or change your property and limit how you use and enjoy your property. By purchasing a property encumbered by CC&Rs, you are agreeing to limitations that could affect your lifestyle and freedom of choice. You should review the CC&Rs, and other governing documents before purchasing to make sure that these limitations and controls acceptable to you. Certain provisions in the CC&Rs and other governing documents may be superseded by contrary provisions chapter 116B of the Nevada Revised Statutes. The Nevada Revised Statutes are available at the Internet address http://www.leg.state.nv.us/nrs/-

3. YOU WILL HAVE TO PAY OWNERS' ASSESSMENTS AND CHARGES FOR AS LONG AS YOU OWN YOUR PROPERTY?

As an owner in a condominium hotel, you are responsible for paying your share of expenses relating to the common elements and shared components. The obligation to pay these expenses binds you and every future owner of the property. Owners' fees are usually assessed for these expenses monthly. You have to pay dues whether or not you agree with the way the association or the hotel unit owner is managing the property or spending the assessments or charges. The hotel unit owner executive board of the association may have the power to change and increase the amount of the assessment or charges and to levy special assessments or special charges against your property to meet extraordinary expenses.

4. IF YOU FAIL TO PAY OWNERS' ASSESSMENTS OR CHARGES, YOU COULD LOSE YOUR HOME?

If you do not pay these assessments or charges when due, the hotel unit owner or the association usually has the power to collect them by selling your property in a nonjudicial forcelosure sale. If fees become delinquent, you may also be required to pay penalties and the association's or hotel unit owner's costs, as applicable, and attorney's fees to become current. If you dispute the obligation or its amount, your only remedy to avoid the loss of your home may be to file a lawsuit and ask a court to intervene in the dispute.

5. YOU MAY BECOME A MEMBER OF A HOMEOWNERS' ASSOCIATION THAT HAS THE POWER TO AFFECT HOW YOU USE AND ENJOY YOUR PROPERTY?

Many condominium hotels have a homeowners' association. In a new development, the association will usually be controlled by the developer until a certain number of units have been sold. After the period of developer control, the association may be controlled by property owners like yourself who are elected by homeowners to sit on an executive board and other boards and committees formed by the association. The association, and its executive board, are responsible for assessing homeowners for the cost of operating the association and the common elements of the condominium hotel. Because homeowners sitting on the executive board and other boards and committees of the association may not have the experience or professional background required to understand and carry out the responsibilities of the association properly, the association may hire professional condominium association managers to carry out these responsibilities.

Homeowners' associations operate on democratic principles. Some decisions require all homeowners to vote, some decisions are made by association or governing documents. Although the actions of the association and its executive board are governed by state laws, the CC&Rs and other documents that govern the condominium hotel. decisions made by these persons will affect your use and enjoyment of your property, your lifestyle and freedom of choice, and your cost of living in the condominium hotel. You may not agree with decisions made by the association or its governing bodies even though the decisions are ones which the association is authorized to make Decisions may be made by a few persons on the executive board or governing bodies that do not necessarily reflect the view of the majority of residential unit in the condominium hotel. If you do not agree with decisions made by the association, its executive board or other governing hodies, your remedy is typically to attempt to use democratic processes of the association to seek the election of member of the executive board or other governing bodies that are more responsive to your needs. If you have a dispute with the association, its executive board or other governing bodies, you may be able to resolve the dispute through the complaint, investigation and intervention process administered by the Office of the Ombudsman for Owners in Common Interest Communities and Condominium Hotels [.] or the Nevada Real Estate Division and the Commission for Common Interest Communities and Condominium Hotels. However, to resolve some disputes, you may have to mediate or arbitrate the dispute and, if modiation or arbitration is unsuccessful, you may have to file a lawsuit and ask a court to resolve the dispute. In addition to your personal cost in mediation or arbitration, or to prosecute a lawsuit, you may be responsible for paying your share of the association's cost in defending against your claim.

6. YOU ARE REQUIRED TO PROVIDE PROSPECTIVE PURCHASERS OF YOUR PROPERTY WITH INFORMATION ABOUT LIVING IN YOUR CONDOMINIUM HOTEL?

The law requires you to provide a prospective purchaser of your property with a copy of the condominium hotel's governing documents, including the CC&Rs, association bylaws, and rules and regulations, as well as a copy of this document. You are also required to provide a copy of the association's current year to date financial statement, including. without limitation, the most recent audited or reviewed financial statement, a copy of the association's operating budget and information regarding the amount of the monthly assessment for common expenses, including the amount set aside as reserves for the renair, replacement and restoration of common elements. You are also required to provide a conv of the current year-to-date statement of the shared expenses charged to your unit by the declarant or hotel unit owner, as applicable. You are also required to inform prospective purchasers of any outstanding judgments or lawsuits pending against the association of which you are aware. For more information regarding these requirements, see NRS 116B 725 to 116B 795, inclusive.

7. YOU HAVE CERTAIN RIGHTS REGARDING OWNERSHIP IN A CONDOMINIUM HOTEL THAT ARE GUARANTEED YOU BY THE STATE?

Pursuant to provisions of this chapter, you have the right:

- (a) To be notified of all meetings of the association and its executive board, except in cases of emergency.
- (b) To attend and speak at all meetings of the association and its executive board, except in some cases where the executive board is authorized to meet in closed, executive session.
- (c) To request a special meeting of the association.
- (d) To inspect, examine, photocopy and audit financial and other records of the association.
- (e) To be notified of all changes in the condominium hotel's rules and regulations and other actions by the association or board that affect you.
   8. OUESTIONS?

Although they may be voluminous, you should take the time to read and understand the documents that will control your ownership of a property in a condominium hotel. You may wish to ask your real estate professional, lawyer or other person with experience to explain anything you do not understand. You may also request assistance from the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels, [Nevada Real Estate Division,] Office of the Attorney General, at (telephone number).

Buyer or prospective buyer's initials:

Date: (Deleted by amendment.)

Sec. 12. [NRS-116B-800 is hereby amended to read as follows:

- —116B.800 [The] Except as otherwise provided in section I of this act, the Commission for Common Interest Communities and Condominium Hotels created by NRS 116.600, the Division and the Director of the Department of Business and Industry have jurisdiction over the enforcement of this chapter as set forth herein.] (Deleted by amendment.)
- Sec. 13. [NRS-116B.805 is hereby amended to read as follows:
- 116B.805 1. [The] Except as otherwise provided in section 1 of this act, the provisions of this chapter must be administered by the Division, subject to the administrative supervision of the Director of the Department of Business and Industry.
- 2. The Commission and the Division may do all things necessary and convenient to carry out the provisions of this chapter, including, without limitation, prescribing such forms and adopting such procedures as are necessary to carry out the provisions of this chapter.
- 3. The Commission, or the Administrator with the approval of the Commission, may adopt such regulations as are necessary to carry out the provisions of this chapter.
- 4. The Commission may by regulation delegate any authority conferred upon it by the provisions of this chapter to the Administrator to be exercised pursuant to the regulations adopted by the Commission.
- 5. When regulations are proposed by the Administrator, in addition to other notices required by law, the Administrator shall provide copies of the proposed regulations to the Commission not later than 30 days before the next meeting of the Commission. The Commission shall approve, amend or disapprove any proposed regulations at that meeting.
- 6. All regulations adopted by the Commission, or adopted by the Administrator with the approval of the Commission, must be published by the Division, posted on its website and offered for sale at a reasonable fee.] (Deleted by amendment.)
  - Sec. 14. [NRS 116B.820 is hereby amended to read as follows:
- —116B.820 The Commission and its members, each hearing panel and its members, the Administrator, the Ombudsman, the Office of the Ombudsman, the Division, and the experts, attorneys, investigators, consultants and other personnel of the Commission, the Office of the Ombudsman and the Division are immune from any civil liability for any decision or action taken in good faith and without malicious intent in carrying out the provisions of this chapter.] (Deleted by amendment.)
  - Sec. 15. INRS 116B.870 is hereby amended to read as follows:
- 116B.870 1. In carrying out the provisions of NRS 116B.870 to 116B.920, inclusive, the Division and the Office of the Ombudsman have jurisdiction to investigate and the Commission and each hearing panel has jurisdiction to take appropriate action against any person who commits a violation, including, without limitation:
- (a) Any association and any officer, employee or agent of an association.
- (b) Any member of an executive board.

- (c) Any declarant, affiliate of a declarant or hotel unit owner.
- (d) Any unit's owner.
- (e) Any tenant of a unit's owner if the tenant has entered into an agreement with the unit's owner to abide by the governing documents of the association and the provisions of this chapter and any regulations adopted pursuant thereto.
- 2. The jurisdiction set forth in subsection 1 applies to any officer, employee or agent of an association or any member of an executive board who commits a violation and who:
- (a) Currently holds his or her office, employment, agency or position or who held his or her office, employment, agency or position at the commencement of proceedings against him or her.
- (b) Resigns his or her office, employment, agency or position
- (1) After the commencement of proceedings against him or her; or
- (2) Within 1 year after the violation is discovered or reasonably should have been discovered.] (Deleted by amendment.)
- Sec. 16. [1. Any claim or complaint submitted to or being processed by the Office of the Ombudsman for Owners in Common Interest Communities and Condominium Hotels within the Real Estate Division of the Department of Business and Industry before July 1, 2019, shall be deemed to be the responsibility of the Office of the Ombudsman for Owners in Common Interest Communities and Condominium Hotels within the Office of the Attorney General.
- 2. Any person who, on July 1, 2019, is serving as the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels may, if he or she is otherwise qualified on that date, continue to serve in that capacity until his or her successor is appointed pursuant to NRS 116.625, as amended by section 5 of this act.] (Deleted by amendment.)
  - Sec. 17. This act becomes effective \ \ \
- 1. Upon passage and approval for the purpose of adopting any regulations and performing any preparatory administrative tasks necessary to earry out the provisions of this act; and
- 2. On July 1, 2019 . [, for all other purposes.]

Senator Harris moved the adoption of the amendment.

Remarks by Senator Harris.

Amendment No. 186 to Senate Bill No. 392 replaces the original contents of the bill; retains the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels within the Real Estate Division; adds several staff positions to enhance the Ombudsman's ability to fulfill his or her duties and requires the Attorney General to assign a deputy to the Ombudsman's office; creates a task force to address areas of concern regarding common-interest communities and make recommendations for improvements; adds an industry representative to the task force, and clarifies that the Director of the Department of Business and Industry serves as chair of the task force.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 450.

Bill read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 539.

Legislative Counsel's Digest:

SUMMARY—Revises provisions relating to recall elections. (BDR 24-71) AN ACT relating to elections; revising the provisions relating to the verification of signatures on a petition for recall of a public officer; establishing a limit on contributions to the campaign of a candidate in a recall election; requiring the disposal of unspent contributions to a candidate at a recall election; revising provisions relating to a request to remove a signature from a petition to recall a public officer; amending the deadline for filing a legal challenge to the sufficiency of a petition to recall a public officer; imposing civil and criminal penalties for violations of provisions governing

recall elections; <u>making various other changes relating to petitions for the</u> recall of a public officer; and providing other matters properly relating thereto.

The Nevada Constitution provides for the right of the registered voters of the State of Nevada to recall a public officer and sets forth a procedure for exercising that right, including a requirement to file a petition to demand the recall and a formula for determining the number of signatures of registered voters that is required to appear on the petition to force the recall election. The Constitution also provides that "[s]uch additional legislation as may aid the operation of this section shall be provided by law." (Nev. Const. Art. 2, § 9) The Legislature has enacted provisions to aid the operation of the registered voters' right to recall a public officer. (Chapter 306 of NRS) This bill makes various changes to such provisions.

Under existing law, if the Secretary of State finds that the total number of signatures submitted to all county clerks on a petition to recall a public officer is 100 percent or more of the number of registered voters needed to declare the petition sufficient, with limited exception, each of the county clerks is required to examine the signatures by sampling them at random for verification. The random sampling must include an examination of at least 500 or 5 percent of the signatures, whichever is greater. Upon completion of the random sampling, each county clerk is required to file a certificate with the Secretary of State that includes the tally of signatures. (NRS 293.1277) If the Secretary of State determines based on the certificates from all of the relevant county clerks that the petition to recall a public officer contains a number of valid signatures equal to 90 percent or more but less than 100 percent of the number of registered voters needed to make the petition sufficient, the Secretary of State is required to order the county clerks to verify all signatures. (NRS 293.1278, 293.1279)

Sections [2, 4 and 22] 2-4 of this bill: (1) eliminate the random sampling of a petition for the recall of a public officer [;] who holds a district, county or municipal office; (2) require, instead, that each county clerk examine every

signature for verification [+] on a petition for the recall of a public officer who holds a district, county or municipal office; and (3) give the county clerks 20 days, excluding weekends and holidays, to conduct such verification.

Sections 2-5 of this bill: (1) increase to at least 25 percent the random sampling requirement for a petition for the recall of a public officer who holds state office; and (2) give the county clerks 20 days, excluding weekends and holidays, to conduct such verification.

Section 17 of this bill requires a person who submits a petition for the recall of a public officer to pay the costs for the Secretary of State and county clerks to verify signatures on the petition [.] unless the person submits a written declaration under penalty of perjury that paying the costs will cause the person an undue burden.

Existing law sets forth limitations on making, soliciting and accepting a campaign contribution for a primary or general election. (Nev. Const. Art. 2, §10; NRS 294A.100) Section 6 of this bill: (1) establishes a contribution limitation of \$5,000 for a special election to recall a public officer; and (2) sets forth the period during which such contributions may be made, solicited or accepted. Section 7 of this bill provides that a contribution for a special election to recall a public officer does not affect the limitations on contributions to candidates for a primary or general election. Sections 14.5 and 23.5 of this bill provide that the period during which a Legislator, the Lieutenant Governor, Lieutenant Governor-Elect, Governor and Governor-Elect are prohibited from accepting contributions for a political purpose before and after a session of the Legislature does not prohibit a candidate in a special election to recall a public officer from soliciting or accepting contributions for the special election.

Existing law sets forth requirements for reporting certain contributions, campaign expenses and expenditures relating to a special election to recall a public officer. If a district court determines that a petition for the recall of a public officer is legally insufficient, certain persons, political parties, committees sponsored by political parties, committees for political action and committees for the recall of a public officer are required to report such contributions, campaign expenses and expenditures not later than 30 days after the district court orders the filing officer to cease proceedings regarding the petition. (NRS 294A.120, 294A.140, 294A.200, 294A.210, 294A.270, 294A.280) Sections 8, 9 and 11-14 of this bill require an additional report if the district court's decision is appealed that is due not later than 30 days after the date on which all appeals regarding the petition for the recall of a public officer are exhausted.

Sections 13 and 14 of this bill add requirements for a committee for the recall of a public officer to file additional campaign finance reports of contributions and expenditures during the time that a petition for the recall of a public officer is circulated for signatures.

Existing law requires a candidate who is elected to office to dispose of unspent contributions in various ways, including using the money in the

candidate's next election. A candidate who is not elected to office must dispose of unspent contributions [but] and is not allowed to use the money [as a eandidate] in a future election. (NRS 294A.160) Section 10 of this bill requires every candidate for office at a special election to recall a public officer to dispose of unspent contributions and prohibits any such candidate from using the money in a future election. Section 11 of this bill requires such a candidate to submit a report to the Secretary of State setting forth how he or she disposed of unspent contributions.

Existing law authorizes a person who signs a petition for the recall of a public officer to submit: (1) a request to the county clerk to remove the person's name from the petition before the petition is submitted for verification; and (2) a request to the Secretary of State to remove the person's name from the petition after the completion of signature verification. (NRS 306.015, 306.040) Section 20 of this bill authorizes a person to submit a request to the county clerk to remove the person's name from the petition at any time before the signature verification is completed. Section 23 of this bill authorizes a person to submit to the filing officer a request to remove the person's name from the petition after the signature verification is completed.

Existing law requires the persons filing the notice of intent to submit the petition that was circulated for signatures within 90 days after the date on which the notice of intent was filed. (NRS 306.015) Section 20 requires the persons to submit the signatures collected during the first 45 days of circulating the petition on or before the 48th day after the date on which the notice of intent was filed. Section 20 also requires the remaining signatures collected to be submitted to the filing officer on or before the 90th day after the notice of intent was filed.

Existing law authorizes a person to file a complaint challenging the legal sufficiency of a petition to recall a public officer not more than 5 days after the Secretary of State notifies the county clerk, filing officer and public officer who is the subject of the petition that the petition contains a sufficient number of signatures. (NRS 306.040) Section 23 amends the deadline for filing such a complaint to not later than 15 days, Saturdays, Sundays and holidays excluded, after such notification.

Existing law provides that a person is guilty of a misdemeanor for misrepresenting the intent or content of a petition for the recall of a public officer. (NRS 306.025) Section 21 of this bill increases the penalty to a category E felony, punishable by a minimum term of not less than 1 year and a maximum term of not more than 4 years in prison. Section 18 of this bill provides that it is also a category E felony for a person to knowingly or negligently obtain a false signature on a petition for the recall of a public officer. Section 19 of this bill sets forth certain civil penalties for violations of the provisions of law relating to a petition for the recall of a public officer.

Section 24 of this bill declares void certain regulations that would conflict with the amendatory provisions of this bill.

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

Section 1. NRS 293.127565 is hereby amended to read as follows:

- 293.127565 1. At each building that is open to the general public and occupied by the government of this State or a political subdivision of this State or an agency thereof, other than a building of a public elementary or secondary school, an area must be designated for the use of any person to gather signatures on a petition at any time that the building is open to the public. The area must be reasonable and may be inside or outside of the building. Each public officer or employee in control of the operation of a building governed by this subsection shall:
  - (a) Designate the area at the building for the gathering of signatures; and
- (b) On an annual basis, submit to the Secretary of State and the county clerk for the county in which the building is located a notice of the area at the building designated for the gathering of signatures on a petition. The Secretary of State and the county clerks shall make available to the public a list of the areas at public buildings designated for the gathering of signatures on a petition.
- 2. Before a person may use an area designated pursuant to subsection 1, the person must notify the public officer or employee in control of the operation of the building governed by subsection 1 of the dates and times that the person intends to
- use the area to gather signatures on a petition. The public officer or employee may not deny the person the use of the area.
- 3. Not later than 3 working days after the date of the decision that aggrieved the person, a person aggrieved by a decision made by a public officer or employee pursuant to subsection 1 or 2 may appeal the decision to the Secretary of State. The Secretary of State shall review the decision to determine whether the public officer or employee violated subsection 1 or 2. If the Secretary of State determines a public officer or employee violated subsection 1 or 2 and that a person was denied the use of a public building for the purpose of gathering signatures on a petition, the Secretary of State shall order that the deadline for filing the petition provided pursuant to NRS 293.128, 293.172, 293.200, 295.056, 298.109, [306.035] 306.015 or 306.110 must be extended for a period equal to the time that the person was denied the use of a public building for the purpose of gathering signatures on a petition, but in no event may the deadline be extended for a period of more than 5 days.
- 4. The decision of the Secretary of State is a final decision for the purposes of judicial review. Not later than 7 days after the date of the decision by the Secretary of State, the decision of the Secretary of State may only be appealed in the First Judicial District Court. If the First Judicial District Court determines that the public officer or employee violated subsection 1 or 2 and that a person was denied the use of a public building for the purpose of gathering signatures on a petition, the Court shall order that the deadline for

filing the petition provided pursuant to NRS 293.128, 293.172, 293.200, 295.056, 298.109, [306.035] 306.015 or 306.110 must be extended for a period equal to the time that the person was denied the use of a public building for the purpose of gathering signatures on a petition, but in no event may the deadline be extended for a period of more than 5 days.

- 5. The Secretary of State may adopt regulations to carry out the provisions of subsection 3.
  - Sec. 2. NRS 293.1277 is hereby amended to read as follows:
- 293.1277 1. If the Secretary of State finds that the total number of signatures submitted to all the county clerks is 100 percent or more of the number of registered voters needed to declare the petition sufficient, the Secretary of State shall immediately so notify the county clerks. After the notification, each of the county clerks shall determine the number of registered voters who have signed the documents submitted in the county clerk's county and, in the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, shall tally the number of signatures for each petition district contained or fully contained within the county clerk's county. This determination must be completed within 9 days, excluding Saturdays, Sundays and holidays, after the notification pursuant to this subsection regarding a petition containing signatures which are required to be verified pursuant to NRS 293.128, 295.056, 298.109 [, 306.035] or 306.110, within 20 days, excluding Saturdays, Sundays and holidays, after the notification pursuant to this subsection regarding a petition containing signatures which are required to be verified pursuant to NRS 306.035, and within 3 days, excluding Saturdays, Sundays and holidays, after the notification pursuant to this subsection regarding a petition containing signatures which are required to be verified pursuant to NRS 293.172 or 293.200. For the purpose of verification pursuant to this section, the county clerk shall not include in his or her tally of total signatures any signature included in the incorrect petition district.
- 2. Except as otherwise provided in [subsection] subsections 3 [,] and 4, if more than 500 names have been signed on the documents submitted to a county clerk, the county clerk shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerk is given an equal opportunity to be included in the sample. The sample must include an examination of  $\underline{\cdot}$
- (a) Except as otherwise provided in paragraph (b), at least 500 or 5 percent of the signatures, whichever is greater.
- (b) If the petition is for the recall of a public officer that holds a statewide office, at least 25 percent of the signatures.
- <u>→</u> If documents were submitted to the county clerk for more than one petition district wholly contained within that county, a separate random sample must be performed for each petition district.

- 3. If a petition district comprises more than one county and the petition is for an initiative or referendum proposing a constitutional amendment or a statewide measure, and if more than 500 names have been signed on the documents submitted for that petition district, the appropriate county clerks shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerks within the petition district is given an equal opportunity to be included in the sample. The sample must include an examination of at least 500 or 5 percent of the signatures presented in the petition district, whichever is greater. The Secretary of State shall determine the number of signatures that must be verified by each county clerk within the petition district.
- 4. If a petition is for the recall of a public officer <del>[circulated pursuant to NRS 306.035,]</del> that holds a district, county or municipal office, each county clerk <del>[shall:]</del>:
- (a) [Examine] Shall not examine the signatures by sampling them at random for verification;
- <u>(b) Shall examine</u> for verification every signature on the documents submitted to the county clerk; and
- <del>[(b)]</del> <u>(c)</u> When determining the total number of valid signatures on the documents, <u>shall</u> remove each name of a registered voter who submitted a request to have his or her name removed from the petition pursuant to NRS 306.015.
- 5. In determining from the records of registration the number of registered voters who signed the documents, the county clerk may use the signatures contained in the file of applications to register to vote. If the county clerk uses that file, the county clerk shall ensure that every application in the file is examined, including any application in his or her possession which may not yet be entered into the county clerk's records. Except as otherwise provided in subsection [5,] 6, the county clerk shall rely only on the appearance of the signature and the address and date included with each signature in making his or her determination.

<del>[5.]</del> 6. If:

- (a) Pursuant to NRS 293.506, a county clerk establishes a system to allow persons to register to vote by computer; or
- (b) A person registers to vote pursuant to NRS 293D.230 and signs his or her application to register to vote using a digital signature or an electronic signature,
- → the county clerk may rely on such other indicia as prescribed by the Secretary of State in making his or her determination.
- [6.] 7. In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, when the county clerk is determining the number of registered voters who signed the documents from each petition district contained fully or partially within the county clerk's

county, he or she must use the statewide voter registration list available pursuant to NRS 293.675.

- [7.] 8. Except as otherwise provided in subsection [9,] 10, upon completing the examination, the county clerk shall immediately attach to the documents a certificate properly dated, showing the result of the examination, including the tally of signatures by petition district, if required, and transmit the documents with the certificate to the Secretary of State. In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, if a petition district comprises more than one county, the appropriate county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the certificate. A copy of this certificate must be filed in the clerk's office. When the county clerk transmits the certificate to the Secretary of State, the county clerk shall notify the Secretary of State of the number of requests to remove a name received by the county clerk pursuant to NRS 295.055 [...] or pursuant to NRS 306.015 [...] for a petition to recall a public officer that holds a state office, if applicable.
- [8.] 9. A person who submits a petition to the county clerk which is required to be verified pursuant to NRS 293.128, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110 must be allowed to witness the verification of the signatures. A public officer who is the subject of a recall petition must also be allowed to witness the verification of the signatures on the petition.
- [9.] 10. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not transmit to the Secretary of State the documents containing the signatures of the registered voters.
- [10.] 11. The Secretary of State shall by regulation establish further procedures for carrying out the provisions of this section.
  - Sec. 3. NRS 293.1278 is hereby amended to read as follows:
- 293.1278 1. If the certificates received by the Secretary of State from all the county clerks establish that the number of valid signatures is less than 90 percent of the required number of registered voters, the petition shall be deemed to have failed to qualify, and the Secretary of State shall immediately so notify the petitioners and the county clerks.
- 2. If those certificates establish that the number of valid signatures is equal to or more than the sum of 100 percent of the number of registered voters needed to make the petition sufficient plus the total number of requests to remove a name received by the county clerks pursuant to NRS 295.055 or pursuant to NRS 306.015 for a petition to recall a public officer that holds a statewide office, if applicable, and, in the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, that the petition has the minimum number of signatures required for each petition district, the petition shall be deemed to qualify as of the date of receipt by the Secretary of State of those certificates, and the Secretary of State shall immediately so notify the petitioners and the county clerks.

- 3. If the certificates establish that the petitioners have 100 percent or more of the number of registered voters needed to make the petition sufficient but the petition fails to qualify pursuant to subsection 2, each county clerk who received a request to remove a name pursuant to NRS 295.055 or pursuant to NRS 306.015 for a petition to recall a public officer that holds a state office, if applicable, shall remove each name as requested, amend the certificate and transmit the amended certificate to the Secretary of State. If the amended certificates establish that the petitioners have 100 percent or more of the number of registered voters needed to make the petition sufficient and, in the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, that the petition has the minimum number of signatures required for each petition district, the petition shall be deemed to qualify as of the date of receipt by the Secretary of State of the amended certificates, and the Secretary of State shall immediately so notify the petitioners and the county clerks.
  - Sec. 4. NRS 293.1279 is hereby amended to read as follows:
- 293.1279 1. If Except for a petition to recall a public officer submitted pursuant to NRS 306.015, iff the statistical sampling fof a petition shows that the number of valid signatures filed is 90 percent or more, but less than the sum of 100 percent of the number of signatures of registered voters needed to declare the petition sufficient plus the total number of requests to remove a name received by the county clerks pursuant to NRS 295.055 \(\frac{1}{k+1}\) or pursuant to NRS 306.015 [ for a petition to recall a public officer that holds a state office, if applicable, the Secretary of State shall order the county clerks to examine the signatures for verification. The county clerks shall examine the signatures for verification until they determine that 100 percent of the number of signatures of registered voters needed to declare the petition sufficient are valid. If the county clerks received a request to remove a name pursuant to NRS 295.055  $\stackrel{\longrightarrow}{\longleftrightarrow}$  or pursuant to NRS 306.015  $\stackrel{\longrightarrow}{\longleftrightarrow}$  for a petition to recall a public officer that holds a state office, if applicable, the county clerks may not determine that 100 percent of the number of signatures of registered voters needed to declare the petition sufficient are valid until they have removed each name as requested pursuant to NRS 295.055  $\stackrel{\longleftarrow}{\leftarrow}$  or 306.015.
- 2. Except as otherwise provided in this subsection, if the statistical sampling shows that the number of valid signatures filed in any county is 90 percent or more but less than the sum of 100 percent of the number of signatures of registered voters needed to constitute 10 percent of the number of voters who voted at the last preceding general election in that county plus the total number of requests to remove a name received by the county clerk in that county pursuant to NRS 295.055 [+] or pursuant to NRS 306.015 [+] for a petition to recall a public officer that holds a state office, if applicable, the Secretary of State may order the county clerk in that county to examine every signature for verification. If the county clerk received a request to remove a name pursuant to NRS 295.055 [+] or pursuant to NRS 306.015 [+] for a petition to recall a public officer that holds a state office, if applicable, the county clerk

may not determine that 100 percent or more of the number of signatures of registered voters needed to constitute 10 percent of the number of voters who voted at the last preceding general election in that county are valid until the county clerk has removed each name as requested pursuant to NRS 295.055 [...] or 306.015. In the case of a petition for initiative or referendum that proposes a constitutional amendment or statewide measure, if the statistical sampling shows that the number of valid signatures in any petition district is 90 percent or more but less than the sum of 100 percent of the number of signatures of registered voters required for that petition district pursuant to NRS 295.012 plus the total number of requests to remove a name received by the county clerk or county clerks, if the petition district comprises more than one county, pursuant to NRS 295.055, the Secretary of State may order a county clerk to examine every signature for verification.

- 3. After the receipt of such an order, the county clerk or county clerks shall determine from the records of registration what number of registered voters have signed the petition and, if appropriate, tally those signatures by petition district. This determination must be completed within 12 days, excluding Saturdays, Sundays and holidays, after the receipt of an order regarding a petition containing signatures which are required to be verified pursuant to NRS 293.128, 295.056, 298.109 [, 306.035] or 306.110, or pursuant to NRS 306.035 for a petition for the recall of a public officer who holds statewide office, and within 5 days, excluding Saturdays, Sundays and holidays, after the receipt of an order regarding a petition containing signatures which are required to be verified pursuant to NRS 293.172 or 293.200. If necessary, the board of county commissioners shall allow the county clerk additional assistants for examining the signatures and provide for their compensation. In determining from the records of registration what number of registered voters have signed the petition and in determining in which petition district the voters reside, the county clerk must use the statewide voter registration list. The county clerk may rely on the appearance of the signature and the address and date included with each signature in determining the number of registered voters that signed the petition.
- 4. Except as otherwise provided in subsection 5, upon completing the examination, the county clerk or county clerks shall immediately attach to the documents of the petition an amended certificate, properly dated, showing the result of the examination and shall immediately forward the documents with the amended certificate to the Secretary of State. A copy of the amended certificate must be filed in the county clerk's office. In the case of a petition for initiative or referendum to propose a constitutional amendment or statewide measure, if a petition district comprises more than one county, the county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the amended certificate.
- 5. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not

forward to the Secretary of State the documents containing the signatures of the registered voters.

- 6. Except for a petition to recall a county, district or municipal officer, the petition shall be deemed filed with the Secretary of State as of the date on which the Secretary of State receives certificates from the county clerks showing the petition to be signed by the requisite number of voters of the State.
- 7. If the amended certificates received from all county clerks by the Secretary of State establish that the petition is still insufficient, the Secretary of State shall immediately so notify the petitioners and the county clerks. If the petition is a petition to recall a county, district or municipal officer, the Secretary of State shall also notify the officer with whom the petition is to be filed.
- 8. The Secretary of State shall adopt regulations to carry out the provisions of this section.
  - Sec. 5. NRS 293.12795 is hereby amended to read as follows:
- 293.12795 1. If an appeal is based upon the results of the verification of signatures on a petition performed pursuant to NRS 293.1277 or 293.1279, the Secretary of State shall:
- (a) If the Secretary of State finds for the appellant, order the county clerk to recertify the petition, including as verified signatures all contested signatures which the Secretary of State determines are valid. If the county clerk has not yet removed each name as requested pursuant to NRS 295.055 [] or pursuant to NRS 306.015 [] for a petition for the recall of a public officer who holds statewide office, the county clerk shall do so before recertifying the petition.
- (b) If the Secretary of State does not find for the appellant, notify the appellant and the county clerk that the petition remains insufficient.
- 2. If the Secretary of State is unable to make a decision on the appeal based upon the documents submitted, the Secretary of State may order the county clerk to reverify the signatures.
- 3. The decision of the Secretary of State is a final decision for the purposes of judicial review. The decision of the Secretary of State may only be appealed in the First Judicial District Court.
- Sec. 6. Chapter 294A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A person shall not make or commit to make a contribution or contributions to a candidate in a special election to recall a public officer, in an amount which exceeds \$5,000, regardless of the number of candidates for the office.
- 2. No contribution to a candidate in a recall election may be given or received except during the period:
- (a) Beginning on the date that a notice of intent to recall a public officer is filed pursuant to NRS 306.015; and
  - (b) Ending:
- (1) If a petition for recall is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of

NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of that chapter, on the date that the notice of intent expires or the petition is determined to be legally insufficient, as applicable.

- (2) If a district court determines that a petition for recall is legally insufficient pursuant to chapter 306 of NRS  $\frac{1}{1+1}$ :
- (I) Except as otherwise provided in sub-subparagraph (II) and subparagraph (3), on the date of the order of the district court.
- (II) If the order of the district court is appealed, on the date on which all appeals regarding the petition are exhausted.
- (3) If a recall election is held, on the date of the special election to recall a public officer.
- 3. No contribution made, committed to be made or accepted pursuant to this section for a special election to recall a public officer affects the limitations on the amount of contributions that may be committed, contributed or accepted pursuant to NRS 294A.100 for a primary election or general election.
- 4. A candidate shall not accept a contribution or commitment to make a contribution made in violation of this section.
- 5. A person who willfully violates any provision of this section is guilty of a category E felony and shall be punished as provided in NRS 193.130.
  - Sec. 7. NRS 294A.100 is hereby amended to read as follows:
- 294A.100 1. A person shall not make or commit to make a contribution or contributions to a candidate for any office, except a federal office, in an amount which exceeds \$5,000 for the primary election, regardless of the number of candidates for the office, and \$5,000 for the general election, regardless of the number of candidates for the office, during the period:
- (a) Beginning January 1 of the year immediately following the last general election for the office and ending December 31 immediately following the next general election for the office, if that office is a state, district, county or township office; or
- (b) Beginning from 30 days after the last election for the office and ending 30 days after the next general city election for the office, if that office is a city office.
- 2. A candidate shall not accept a contribution or commitment to make a contribution made in violation of subsection 1.
- 3. No contribution made, committed to be made or accepted pursuant to this section to a candidate for a primary election or general election affects the limitations on the amount of contributions that may be committed, contributed or accepted pursuant to section 6 of this act for a special election to recall a public officer.
- 4. A person who willfully violates any provision of this section is guilty of a category E felony and shall be punished as provided in NRS 193.130.
  - Sec. 8. NRS 294A.120 is hereby amended to read as follows:
- 294A.120 1. Every candidate for office at a primary election or general election shall, not later than January 15 of the election year, for the period

beginning January 1 of the previous year and ending on December 31 of the previous year, report:

- (a) Each contribution in excess of \$100 received during the period;
- (b) Contributions received during the period from a contributor which cumulatively exceed \$100;
- (c) The total of all contributions received during the period which are \$100 or less and which are not otherwise required to be reported pursuant to paragraph (b); and
- (d) The balance in the account maintained by the candidate pursuant to NRS 294A.130 on the ending date of the period.
- 2. In addition to the requirements set forth in subsection 1, every candidate for office at a primary election or general election shall, not later than:
- (a) April 15 of the election year, for the period beginning January 1 and ending on March 31 of the election year;
- (b) July 15 of the election year, for the period beginning April 1 and ending on June 30 of the election year;
- (c) October 15 of the election year, for the period beginning July 1 and ending on September 30 of the election year; and
- (d) January 15 of the year immediately following the election year, for the period beginning October 1 and ending on December 31 of the election year,
- report each contribution described in paragraphs (a), (b) and (c) of subsection 1 received during the period and the balance in the account maintained by the candidate pursuant to NRS 294A.130 on the ending date of the period.
- 3. Except as otherwise provided in subsections 4, 5 and 6 and NRS 294A.223, every candidate for office at a special election shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the candidate's nomination through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each contribution described in paragraphs (a), (b) and (c) of subsection 1 received during the period and the balance in the account maintained by the candidate pursuant to NRS 294A.130 on the ending date of the period.
- 4. Except as otherwise provided in subsections 5 and 6 and NRS 294A.223, every candidate for office at a special election to determine whether a public officer will be recalled shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the date the notice of intent to

circulate the petition for recall is filed pursuant to NRS 306.015 through the 5 days before the beginning of early voting by personal appearance for the special election;

- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each contribution described in paragraphs (a), (b) and (c) of subsection 1 received during the period and the balance in the account maintained by the candidate pursuant to NRS 294A.130 on the ending date of the period.
- 5. Except as otherwise provided in subsection 6, if a petition for recall is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of that chapter, every candidate for office at a special election to determine whether a public officer will be recalled shall, not later than 30 days after the expiration of the notice of intent, for the period from the filing of the notice of intent through the date that the notice of intent expires or the petition is determined to be legally insufficient, report each contribution described in paragraphs (a), (b) and (c) of subsection 1 received during the period and the balance in the account maintained by the candidate pursuant to NRS 294A.130 on the ending date of the period. The provisions of this subsection apply to the candidate for office at a special election if the petition for recall:
  - (a) Is not submitted to the filing officer as required by chapter 306 of NRS;
- (b) Is submitted to the filing officer without any valid signatures or with fewer than the necessary number of valid signatures required by chapter 306 of NRS; or
- (c) Is otherwise legally insufficient or efforts to obtain the necessary number of valid signatures required by chapter 306 of NRS are suspended or discontinued.
- 6. If a district court determines that a petition for recall is legally insufficient pursuant to [subsection 6 of] NRS 306.040, every candidate for office at a special election to determine whether a public officer will be recalled shall [-, not]:
- <u>(a) Not</u> later than 30 days after the district court orders the officer with whom the petition is filed to cease any further proceedings regarding the petition, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's order, report each contribution described in paragraphs (a), (b) and (c) of subsection 1 received during the period and the balance in the account maintained by the candidate pursuant to NRS 294A.130 on the ending date of the period.
- (b) Not later than 30 days after the date on which all appeals regarding the petition are exhausted, for the period from the day after the date of the district

court's order through the date on which all appeals regarding the petition are exhausted, report each contribution described in paragraphs (a), (b) and (c) of subsection 1 received during the period and the balance in the account maintained by the candidate pursuant to NRS 294A.130 on the ending date of the period.

- 7. In addition to complying with the applicable requirements of subsections 1 to 6, inclusive, if a candidate is elected to office at a primary election, general election or special election, he or she must, not later than January 15 of each year, report the information described in paragraphs (a) to (d), inclusive, of subsection 1 for the period beginning January 1 of the previous year and ending on December 31 of the previous year. The provisions of this subsection apply to the candidate until the year immediately preceding the next election year for that office. Nothing in this subsection:
- (a) Requires the candidate to report information described in paragraphs (a) to (d), inclusive, of subsection 1 that has previously been reported in a timely manner pursuant to subsections 1 to 6, inclusive; or
- (b) Authorizes the candidate to not comply with the applicable requirements of subsections 1 to 6, inclusive, if he or she becomes a candidate for another office at a primary election, general election or special election during his or her term of office.
- 8. Except as otherwise provided in NRS 294A.3733, reports of contributions must be filed electronically with the Secretary of State.
- 9. A report shall be deemed to be filed on the date that it was received by the Secretary of State.
- 10. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$100 and contributions which a contributor has made cumulatively in excess of that amount since the beginning of the current reporting period.
  - Sec. 9. NRS 294A.140 is hereby amended to read as follows:
  - 294A.140 1. The provisions of this section apply to:
- (a) Every person who makes an independent expenditure in excess of \$1,000; and
- (b) Every committee for political action, political party and committee sponsored by a political party which receives contributions in excess of \$1,000 or makes an expenditure for or against a candidate for office or a group of such candidates.
- 2. Every person, committee and political party described in subsection 1 shall, not later than January 15 of the election year, for the period beginning January 1 of the previous year and ending on December 31 of the previous year, report each contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000.
- 3. In addition to the requirements set forth in subsection 2, every person, committee and political party described in subsection 1 shall, not later than:

- (a) April 15 of the election year, for the period beginning January 1 and ending on March 31 of the election year;
- (b) July 15 of the election year, for the period beginning April 1 and ending on June 30 of the election year;
- (c) October 15 of the election year, for the period beginning July 1 and ending on September 30 of the election year; and
- (d) January 15 of the year immediately following the election year, for the period beginning October 1 and ending on December 31 of the election year, → report each contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000.
- 4. Except as otherwise provided in subsections 5, 6 and 7 and NRS 294A.223, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election or for or against a group of such candidates shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the nomination of the candidate through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000.
- 5. Except as otherwise provided in subsections 6 and 7 and NRS 294A.223, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of candidates for offices at such special elections shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the date the notice of intent to circulate a petition to recall is filed pursuant to NRS 306.015 through 5 days before the beginning of early voting by personal appearance for the special election:
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,

- report each contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000.
- 6. Except as otherwise provided in subsection 7, if a petition for recall is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of that chapter, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of such candidates shall, not later than 30 days after the expiration of the notice of intent, for the period from the filing of the notice of intent through the date that the notice of intent expires or the petition is determined to be legally insufficient, report each contribution in excess of \$1,000 received and contributions received which cumulatively exceed \$1,000. The provisions of this subsection apply to the person, committee and political party if the petition for recall:
  - (a) Is not submitted to the filing officer as required by chapter 306 of NRS;
- (b) Is submitted to the filing officer without any valid signatures or with fewer than the necessary number of valid signatures required by chapter 306 of NRS; or
- (c) Is otherwise legally insufficient or efforts to obtain the necessary number of valid signatures required by chapter 306 of NRS are suspended or discontinued.
- 7. If a district court determines that a petition for recall is legally insufficient pursuant to [subsection 6 of] NRS 306.040, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of candidates for offices at such a special election shall [, not]:
- <u>(a) Not</u> later than 30 days after the district court orders the officer with whom the petition is filed to cease any further proceedings regarding the petition, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's order, report each contribution in excess of \$1,000 received during the period and contributions received during the period which cumulatively exceed \$1,000.
- (b) Not later than 30 days after the date on which all appeals regarding the petition are exhausted, for the period from the day after the date of the district court's order through the date on which all appeals regarding the petition are exhausted, report each contribution in excess of \$1,000 received during the period and contributions received during the period which cumulatively exceed \$1,000.

- 8. In addition to complying with the applicable requirements of subsections 2 to 7, inclusive, a person, committee or political party described in subsection 1 must, not later than January 15 of each year that is not an election year, for the period beginning January 1 of the previous year and ending on December 31 of the previous year, report each contribution in excess of \$1,000 received during the period and contributions received during the period from a contributor which cumulatively exceed \$1,000. Nothing in this subsection:
- (a) Requires the person, committee or political party to report information that has previously been reported in a timely manner pursuant to subsections 2 to 7, inclusive; or
- (b) Authorizes the person, committee or political party to not comply with any applicable requirement set forth in subsections 2 to 7, inclusive.
- 9. Except as otherwise provided in NRS 294A.3737, the reports of contributions required pursuant to this section must be filed electronically with the Secretary of State.
- 10. A report shall be deemed to be filed on the date that it was received by the Secretary of State.
- 11. Every person, committee and political party described in this section shall file a report required by this section even if the person, committee or political party receives no contributions.
- 12. The name and address of the contributor and the date on which the contribution was received must be included on the report for each contribution in excess of \$1,000 and contributions which a contributor has made cumulatively in excess of \$1,000 since the beginning of the current reporting period.
  - Sec. 10. NRS 294A.160 is hereby amended to read as follows:
- 294A.160 1. It is unlawful for a candidate to spend money received as a contribution for the candidate's personal use.
- 2. Notwithstanding the provisions of NRS 294A.286, a candidate or public officer may use contributions to pay for any legal expenses that the candidate or public officer incurs in relation to a campaign or serving in public office without establishing a legal defense fund. Any such candidate or public officer shall report any expenditure of contributions to pay for legal expenses in the same manner and at the same time as the report filed pursuant to NRS 294A.120 or 294A.200. A candidate or public officer shall not use contributions to satisfy a civil or criminal penalty imposed by law.
- 3. [Every] Except as otherwise provided in subsection 5, every candidate for office at a primary election, general election or special election who is elected to that office and received contributions that were not spent or committed for expenditure before the primary election, general election or special election shall dispose of the money through one or any combination of the following methods:
  - (a) Return the unspent money to contributors;

- (b) Use the money in the candidate's next election or for the payment of other expenses related to public office or his or her campaign, regardless of whether he or she is a candidate for a different office in the candidate's next election;
  - (c) Contribute the money to:
- (1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;
  - (2) A political party; or
- (3) Any combination of persons or groups set forth in subparagraphs (1) and (2);
  - (d) Donate the money to any tax-exempt nonprofit entity; or
- (e) Donate the money to any governmental entity or fund of this State or a political subdivision of this State. A candidate who donates money pursuant to this paragraph may request that the money be used for a specific purpose.
- 4. [Every] Except as otherwise provided in subsection 5, every candidate for office at a primary election, general election or special election who withdraws pursuant to NRS 293.202 or 293C.195 after filing a declaration of candidacy or an acceptance of candidacy, is removed from the ballot by court order or is defeated for or otherwise not elected to that office and who received contributions that were not spent or committed for expenditure before the primary election, general election or special election shall, not later than the 15th day of the second month after the election, dispose of the money through one or any combination of the following methods:
  - (a) Return the unspent money to contributors;
  - (b) Contribute the money to:
- (1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;
  - (2) A political party; or
- (3) Any combination of persons or groups set forth in subparagraphs (1) and (2);
  - (c) Donate the money to any tax-exempt nonprofit entity; or
- (d) Donate the money to any governmental entity or fund of this State or a political subdivision of this State. A candidate who donates money pursuant to this paragraph may request that the money be used for a specific purpose.
- 5. Every candidate for office at a special election to recall a public officer shall dispose of the unspent contributions through one or any combination of the methods set forth in subsection 4 not later than the 15th day of the second month following the last day for the candidate to receive a contribution pursuant to section 6 of this act.
- 6. Every candidate for office who withdraws after filing a declaration of candidacy or an acceptance of candidacy, is defeated for that office at a primary election or is removed from the ballot by court order before a primary election or general election and who received a contribution from a person in excess of \$5,000 shall, not later than the 15th day of the second month after

the primary election or general election, as applicable, return any money in excess of \$5.000 to the contributor.

- [6.] 7. Except for a former public officer who is subject to the provisions of subsection [10.] 11, every person who qualifies as a candidate by receiving one or more qualifying contributions in excess of \$100 but who, within 4 years after the date of receiving the first of those qualifying contributions, does not:
  - (a) File a declaration of candidacy or an acceptance of candidacy; or
  - (b) Appear on an official ballot at any election,
- ⇒ shall, not later than the 15th day of the month after the end of the 4-year period, dispose of all contributions that have not been spent or committed for expenditure through one or any combination of the methods set forth in subsection 4.
- [7.] 8. Except as otherwise provided in subsection [8,] 9, every public officer who:
  - (a) Does not run for reelection to the office which he or she holds;
- (b) Is not a candidate for any other office and does not qualify as a candidate by receiving one or more qualifying contributions in excess of \$100; and
- (c) Has contributions that are not spent or committed for expenditure remaining from a previous election,
- ⇒ shall, not later than the 15th day of the second month after the expiration of the public officer's term of office, dispose of those contributions in the manner provided in subsection 4.
  - [8.] 9. Every public officer who:
  - (a) Resigns from his or her office;
- (b) Is not a candidate for any other office and does not qualify as a candidate by receiving one or more qualifying contributions in excess of \$100; and
- (c) Has contributions that are not spent or committed for expenditure remaining from a previous election,
- ⇒ shall, not later than the 15th day of the second month after the effective date of the resignation, dispose of those contributions in the manner provided in subsection 4.
- [9.] 10. Except as otherwise provided in subsection [10,] 11, every public officer who:
- (a) Does not run for reelection to the office which he or she holds or who resigns from his or her office;
- (b) Is a candidate for any other office or qualifies as a candidate by receiving one or more qualifying contributions in excess of \$100; and
- (c) Has contributions that are not spent or committed for expenditure remaining from a previous election,
- may use the unspent contributions in a future election. Such a public officer is subject to the reporting requirements set forth in NRS 294A.120, 294A.125, 294A.128, 294A.200 and 294A.362 for as long as the public officer is a candidate for any office or qualifies as a candidate by receiving one or more qualifying contributions in excess of \$100.

- [10.] 11. Every former public officer described in subsection [9] 10 who qualifies as a candidate by receiving one or more qualifying contributions in excess of \$100 but who, within 4 years after the date of receiving the first of those qualifying contributions, does not:
  - (a) File a declaration of candidacy or an acceptance of candidacy; or
  - (b) Appear on an official ballot at any election,
- ⇒ shall, not later than the 15th day of the month after the end of the 4-year period, dispose of all contributions that have not been spent or committed for expenditure through one or any combination of the methods set forth in subsection 4.
- [11.] 12. In addition to the methods for disposing of the unspent money set forth in this section, a Legislator may donate not more than \$500 of that money to the Nevada Silver Haired Legislative Forum created pursuant to NRS 427A.320.
- [12.] 13. Any contributions received before a candidate for office at a primary election, general election or special election dies that were not spent or committed for expenditure before the death of the candidate must be disposed of in the manner provided in subsection 4.
- [13.] 14. The court shall, in addition to any penalty which may be imposed pursuant to NRS 294A.420, order the candidate or public officer to dispose of any remaining contributions in the manner provided in this section.
  - [14.] 15. As used in this section:
- (a) "Contribution" includes, without limitation, any interest and other income earned on a contribution.
- (b) "Qualifying contribution" means the receipt of a contribution that causes a person to qualify as a candidate pursuant to subsection 4 of NRS 294A.005.
  - Sec. 11. NRS 294A.200 is hereby amended to read as follows:
- 294A.200 1. Every candidate for office at a primary election or general election shall, not later than January 15 of the election year, for the period beginning January 1 of the previous year and ending on December 31 of the previous year, report:
- (a) Each of the campaign expenses in excess of \$100 incurred during the period;
- (b) Each amount in excess of \$100 disposed of pursuant to NRS 294A.160 or subsection 3 of NRS 294A.286 during the period;
- (c) The total of all campaign expenses incurred during the period which are \$100 or less; and
- (d) The total of all amounts disposed of during the period pursuant to NRS 294A.160 or subsection 3 of NRS 294A.286 which are \$100 or less.
- 2. In addition to the requirements set forth in subsection 1, every candidate for office at a primary election or general election shall, not later than:
- (a) April 15 of the election year, for the period beginning January 1 and ending on March 31 of the election year;
- (b) July 15 of the election year, for the period beginning April 1 and ending on June 30 of the election year;

- (c) October 15 of the election year, for the period beginning July 1 and ending on September 30 of the election year; and
- (d) January 15 of the year immediately following the election year, for the period beginning October 1 and ending on December 31 of the election year,
- report each of the campaign expenses described in subsection 1 incurred during the period.
- 3. Except as otherwise provided in subsections 4, 5 and 6 and NRS 294A.223, every candidate for office at a special election shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the candidate's nomination through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each of the campaign expenses described in subsection 1 incurred during the period.
- 4. Except as otherwise provided in subsections 5 and 6 and NRS 294A.223, every candidate for office at a special election to determine whether a public officer will be recalled shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the date the notice of intent to circulate the petition for recall is filed pursuant to NRS 306.015 through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each of the campaign expenses described in subsection 1 incurred during the period.
- 5. Except as otherwise provided in subsection 6, if a petition for recall is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of that chapter, every candidate for office at a special election to determine whether a public officer will be recalled shall, not later than 30 days after the expiration of the notice of intent, for the period from the filing of the notice of intent through the date that the notice of intent expires or the petition is determined to be legally insufficient, report each of the campaign expenses described in subsection 1 incurred during the period. The provisions of this

subsection apply to the candidate for office at a special election if the petition for recall:

- (a) Is not submitted to the filing officer as required by chapter 306 of NRS;
- (b) Is submitted to the filing officer without any valid signatures or with fewer than the necessary number of valid signatures required by chapter 306 of NRS; or
- (c) Is otherwise legally insufficient or efforts to obtain the necessary number of valid signatures required by chapter 306 of NRS are suspended or discontinued.
- 6. If a district court determines that a petition for recall is legally insufficient pursuant to [subsection 6 of] NRS 306.040, every candidate for office at a special election to determine whether a public officer will be recalled shall [-, not]:
- <u>(a) Not</u> later than 30 days after the district <u>court</u> orders the officer with whom the petition is filed to cease any further proceedings regarding the petition, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's order, report each of the campaign expenses described in subsection 1 incurred during the period.
- (b) Not later than 30 days after the date on which all appeals regarding the petition are exhausted, for the period from the day after the date of the district court's order through the date on which all appeals regarding the petition are exhausted, report each of the campaign expenses described in subsection 1 incurred during the period.
- 7. In addition to complying with the applicable reporting requirements of subsections 1 to 6, inclusive, if a candidate is elected to office at a primary election, general election or special election, he or she must, not later than January 15 of each year, report each of the campaign expenses described in subsection 1 incurred during the period beginning January 1 of the previous year and ending on December 31 of the previous year. The provisions of this subsection apply to the candidate until the year immediately preceding the next election year for that office. Nothing in this section:
- (a) Requires the candidate to report a campaign expense that has previously been reported in a timely manner pursuant to subsections 1 to 6, inclusive; or
- (b) Authorizes the candidate to not comply with the applicable requirements of subsections 1 to 6, inclusive, if he or she becomes a candidate for another office at a primary election, general election or special election during his or her term of office.
- 8. [Iff] Except as otherwise provided in subsection 9, if a candidate disposes of contributions pursuant to NRS 294A.160 or 294A.286 in any calendar year for which the candidate is not required to file a report pursuant to other provisions of this section, the candidate shall on or before January 15 of the following year, for the period beginning January 1 and ending on December 31 of the calendar year, report:
- (a) Each amount in excess of \$100 disposed of pursuant to NRS 294A.160 or 294A.286 during the period; and

- (b) The total of all amounts disposed of during the period pursuant to NRS 294A.160 or 294A.286 which are \$100 or less.
- 9. If a candidate for office at a special election to determine whether a public officer will be recalled disposes of contributions pursuant to subsection 5 of NRS 294A.160, the candidate shall, on or before the 15th day of the second month following the last day for the candidate to receive a contribution pursuant to section 6 of this act, report:
- (a) Each amount in excess of \$100 disposed of pursuant to subsection 5 of NRS 294A.160; and
- (b) The total of all amounts disposed of during the period pursuant to subsection 5 of NRS 294A.160 which are \$100 or less.
- 10. Except as otherwise provided in NRS 294A.3733, reports of campaign expenses must be filed electronically with the Secretary of State.
- [10.] 11. A report shall be deemed to be filed on the date that it was received by the Secretary of State.
  - Sec. 12. NRS 294A.210 is hereby amended to read as follows:
  - 294A.210 1. The provisions of this section apply to:
- (a) Every person who makes an independent expenditure in excess of \$1,000; and
- (b) Every committee for political action, political party and committee sponsored by a political party which receives contributions in excess of \$1,000or makes an expenditure for or against a candidate for office or a group of such candidates.
- 2. Every person, committee and political party described in subsection 1 shall, not later than January 15 of the election year, for the period beginning January 1 of the previous year and ending on December 31 of the previous year, report each independent expenditure or other expenditure, as applicable, made during the period in excess of \$1,000 and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 3. In addition to the requirements set forth in subsection 2, every person, committee and political party described in subsection 1 shall, not later than:
- (a) April 15 of the election year, for the period beginning January 1 and ending on March 31 of the election year;
- (b) July 15 of the election year, for the period beginning April 1 and ending on June 30 of the election year;
- (c) October 15 of the election year, for the period beginning July 1 and ending on September 30 of the election year; and
- (d) January 15 of the year immediately following the election year, for the period beginning October 1 and ending on December 31 of the election year, → report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.

- 4. Except as otherwise provided in subsections 5, 6 and 7 and NRS 294A.223, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election or for or against a group of such candidates shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the nomination of the candidate through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 5. Except as otherwise provided in subsections 6 and 7 and NRS 294A.223, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of such candidates shall, not later than:
- (a) Four days before the beginning of early voting by personal appearance for the special election, for the period from the date the notice of intent to circulate the petition for recall is filed pursuant to NRS 306.015 through 5 days before the beginning of early voting by personal appearance for the special election;
- (b) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- (c) Thirty days after the special election, for the remaining period through the date of the special election,
- report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 6. Except as otherwise provided in subsection 7, if a petition for recall is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of that chapter, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to

determine whether a public officer will be recalled or for or against a group of such candidates shall, not later than 30 days after the expiration of the notice of intent, for the period from the filing of the notice of intent through the date that the notice of intent expires or the petition is determined to be legally insufficient, report each of the campaign expenses described in subsection 1 incurred during the period. The provisions of this subsection apply to the person, committee and political party if the petition for recall:

- (a) Is not submitted to the filing officer as required by chapter 306 of NRS;
- (b) Is submitted to the filing officer without any valid signatures or with fewer than the necessary number of valid signatures required by chapter 306 of NRS; or
- (c) Is otherwise legally insufficient or efforts to obtain the necessary number of valid signatures required by chapter 306 of NRS are suspended or discontinued.
- 7. If a district court determines that the petition for recall is legally insufficient pursuant to [subsection 6 of] NRS 306.040, every person, committee and political party described in subsection 1 which makes an independent expenditure or other expenditure, as applicable, for or against a candidate for office at a special election to determine whether a public officer will be recalled or for or against a group of such candidates shall. [-, not]:
- <u>(a) Not</u> later than 30 days after the district court orders the officer with whom the petition is filed to cease any further proceedings regarding the petition, for the period from the filing of the notice of intent to circulate the petition for recall through the date of the district court's order, report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- (b) Not later than 30 days after the date on which all appeals regarding the petition are exhausted, for the period from the day after the date of the district court's order through the date on which all appeals regarding the petition are exhausted, report each independent expenditure or other expenditure, as applicable, in excess of \$1,000 made during the period and independent expenditures or expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000.
- 8. In addition to complying with the applicable requirements of subsections 2 to 7, inclusive, a person, committee or political party described in subsection 1 must, not later than January 15 of each year that is not an election year, for the period beginning January 1 of the previous year and ending on December 31 of the previous year, report each independent expenditure or other expenditure, as applicable, made during the period in excess of \$1,000 and independent expenditures or other expenditures, as applicable, made during the period to one recipient which cumulatively exceed \$1,000. Nothing in this subsection:

- (a) Requires the person, committee or political party to report information that has previously been reported in a timely manner pursuant to subsections 2 to 7, inclusive; or
- (b) Authorizes the person, committee or political party to not comply with any applicable requirement set forth in subsections 2 to 7, inclusive.
- 9. Independent expenditures and other expenditures made within the State or made elsewhere but for use within the State, including independent expenditures and other expenditures made outside the State for printing, television and radio broadcasting or other production of the media, must be included in the report.
- 10. Except as otherwise provided in NRS 294A.3737, the reports must be filed electronically with the Secretary of State.
- 11. If an independent expenditure or other expenditure, as applicable, is made for or against a group of candidates, the reports must be itemized by the candidate.
- 12. A report shall be deemed to be filed on the date that it was received by the Secretary of State. Every person, committee or political party described in subsection 1 shall file a report required by this section even if the person, committee or political party receives no contributions.
  - Sec. 13. NRS 294A.270 is hereby amended to read as follows:
- 294A.270 1. Except as otherwise provided in  $\frac{\text{subsections}}{\text{subsection}}$  3.
- (a) The 48th day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015, for the period:
  - (1) From the earlier of:
- (I) The date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015; or
- (II) The date on which the committee first received any contribution, made any contribution or made any expenditure; and
- (2) Ending on the 45th day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015.
- (b) The 93rd day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015, for the period:
- (1) From the 46th day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015; and
- (2) Ending on the 90th day after the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015.
- <u>(c)</u> Four days before the beginning of early voting by personal appearance for the special election to recall a public officer, for the period from <u>91st day</u> <u>after</u> the date <u>on which</u> the notice of intent to circulate the petition for recall is filed pursuant to NRS 306.015 through 5 days before the beginning of early voting by personal appearance for the special election;
- $\{(b)\}$  (d) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and

- [(e)] (e) Thirty days after the special election, for the remaining period through the date of the special election,
- report each contribution received or made by the committee for the recall of a public officer during the period in excess of \$100 and contributions received from a contributor or made to one recipient which cumulatively exceed \$100.
- 2. Except as otherwise provided in subsection 3, if a petition for the recall of a public officer is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of chapter 306 of NRS, the committee for the recall of a public officer shall, not later than 30 days after the expiration of the notice of intent, report each contribution received by the committee for the recall of a public officer, and each contribution made by the committee for the recall of a public officer in excess of \$100 and contributions made to one recipient which cumulatively exceed \$100 [-] that has not otherwise been reported pursuant to subsection 1. The provisions of this subsection apply to the committee for the recall of a public officer if the committee:
- (a) Fails to submit the petition to the filing officer as required by chapter 306 of NRS;
- (b) Submits the petition to the filing officer without any valid signatures or with fewer than the necessary number of valid signatures required by chapter 306 of NRS; or
- (c) Otherwise submits a legally insufficient petition or suspends or ceases its efforts to obtain the necessary number of valid signatures required by chapter 306 of NRS.
- 3. If a district court determines that the petition for the recall of the public officer is legally insufficient pursuant to [subsection 6 of] NRS 306.040, the committee for the recall of a public officer shall [, not]:
- <u>(a) Not</u> later than 30 days after the district court orders the officer with whom the petition is filed to cease any further proceedings regarding the petition, for the period from the filing of the notice of intent to circulate the petition for recall through the day of the district court's order, report each contribution received or made by the committee for the recall of a public officer in excess of \$100 and contributions received from a contributor or made to one recipient which cumulatively exceed \$100.
- (b) Not later than 30 days after the date on which all appeals regarding the district court order are exhausted, for the period from the day after the date of the district court's order through the date on which all appeals regarding the district court's are exhausted, report each contribution received or made by the committee for the recall of a public officer in excess of \$100 and contributions received from a contributor or made to one recipient which cumulatively exceed \$100.

- 4. [If the special election is held on the same day as a primary election or general election, the committee for the recall of a public officer shall, not later than:
- (a) Twenty one days before the special election, for the period from the filing of the notice of intent to circulate the petition for recall through 25 days before the special election;
- (b) Four days before the special election, for the period from 24 days before the special election through 5 days before the special election; and
- (c) The 15th day of the second month after the special election, for the remaining period through the date of the special election,
- → report each contribution received or made by the committee for the recall of a public officer in excess of \$100 and contributions received from a contributor or made to one recipient which cumulatively exceed \$100.
- =5.] Except as otherwise provided in NRS 294A.3737, each report of contributions must be filed electronically with the Secretary of State.
- [6.] 5. A report shall be deemed to be filed on the date that it was received by the Secretary of State.
- [7.] 6. The name and address of the contributor or recipient and the date on which the contribution was received must be included on the report for each contribution, whether from or to a natural person, association or corporation.
  - Sec. 14. NRS 294A.280 is hereby amended to read as follows:
- 294A.280 1. Except as otherwise provided in [subsections] subsection 3, [and 4.] each committee for the recall of a public officer shall, not later than:
- (a) The 48th day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015, for the period:
  - (1) From the earlier of:
- (I) The date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015; or
- (II) The date on which the committee first received any contribution, made any contribution or made any expenditure; and
- (2) Ending on the 45th day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015.
- (b) The 93rd day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015, for the period:
- (1) From the 46th day after the date on which the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015; and
- (2) Ending on the 90th day after the notice of intent to circulate the recall petition was filed pursuant to NRS 306.015.
- <u>(c)</u> Four days before the beginning of early voting by personal appearance for the special election to recall a public officer, for the period from <u>91st day</u> <u>after</u> the date <u>on which</u> the notice of intent to circulate the petition for recall is filed pursuant to NRS 306.015 through 5 days before the beginning of early voting by personal appearance for the special election;

- (b) (d) Four days before the special election, for the period from 4 days before the beginning of early voting by personal appearance for the special election through 5 days before the special election; and
- $\{(e)\}$  (e) Thirty days after the special election, for the remaining period through the date of the special election,
- report each expenditure made by the committee for the recall of a public officer during the period in excess of \$100 and expenditures made to one recipient which cumulatively exceed \$100.
- 2. Except as otherwise provided in subsection 3, if a petition for the recall of a public officer is not submitted to the filing officer before the expiration of the notice of intent pursuant to the provisions of chapter 306 of NRS or is otherwise legally insufficient when submitted to the filing officer pursuant to the provisions of chapter 306 of NRS, the committee for the recall of a public officer shall, not later than 30 days after the expiration of the notice of intent, report each expenditure made by the committee for the recall of a public officer in excess of \$100 and expenditures made to one recipient which cumulatively exceed \$100 [...] and has not otherwise been reported pursuant to subsection 1. The provisions of this subsection apply to the committee for the recall of a public officer if the committee:
- (a) Fails to submit the petition to the filing officer as required by chapter 306 of NRS;
- (b) Submits the petition to the filing officer without any valid signatures or with fewer than the necessary number of valid signatures required by chapter 306 of NRS; or
- (c) Otherwise submits a legally insufficient petition or suspends or ceases its efforts to obtain the necessary number of valid signatures required by chapter 306 of NRS.
- 3. If a district court determines that a petition for the recall of the public officer is legally insufficient pursuant to [subsection 6 of] NRS 306.040, the committee for the recall of a public officer shall  $\frac{1}{2}$ , not]:
- <u>(a) Not</u> later than 30 days after the district court orders the officer with whom the petition is filed to cease any further proceedings regarding the petition, for the period from the filing of the notice of intent to circulate the petition for recall through the day of the district court's order, report each expenditure made by the committee for the recall of a public officer in excess of \$100 and expenditures made to one recipient which cumulatively exceed \$100 []. and has not otherwise been reported pursuant to subsection 1.
- (b) Not later than 30 days after the date on which all appeals regarding the district court order are exhausted, for the period from the day after the date of the district court's order through the date on which all appeals regarding the district court's are exhausted, report each expenditure made by the committee for the recall of a public officer in excess of \$100 and expenditures made to one recipient which cumulatively exceed \$100.

- 4. [If the special election is held on the same day as a primary election or general election, the committee for the recall of a public officer shall, not later than:
- (a) Twenty one days before the special election, for the period from the filing of the notice of intent to circulate the petition for recall through 25 days before the special election;
- (b) Four days before the special election, for the period from 24 days before the special election through 5 days before the special election; and
- (c) The 15th of the second month after the special election, for the remaining period through the date of the special election,
- report each expenditure made by the committee for the recall of a public officer in excess of \$100 and expenditures made to one recipient which cumulatively exceed \$100.
- = 5.] Except as otherwise provided in NRS 294A.3737, each report of expenditures must be filed electronically with the Secretary of State.
- [6.] 5. A report shall be deemed to be filed on the date that it was received by the Secretary of State.
- [7.] 6. The name and address of the recipient and the date on which the expenditure was made must be included on the report for each expenditure, whether to a natural person, association or corporation.
  - Sec. 14.5. NRS 294A.300 is hereby amended to read as follows:
- 294A.300 1. [H] Except as otherwise provided in subsection 4, it is unlawful for a member of the Legislature, the Lieutenant Governor, the Lieutenant Governor-Elect, the Governor or the Governor-Elect to solicit or accept any monetary contribution, or solicit or accept a commitment to make such a contribution for any political purpose during the period beginning:
- (a) Thirty days before a regular session of the Legislature and ending 30 days after the final adjournment of a regular session of the Legislature;
- (b) Fifteen days before a special session of the Legislature is set to commence and ending 15 days after the final adjournment of a special session of the Legislature, if:
- (1) The Governor sets a specific date for the commencement of the special session that is more than 15 days after the date on which the Governor issues the proclamation calling for the special session pursuant to Section 9 of Article 5 of the Nevada Constitution; or
- (2) The members of the Legislature set a date on or before which the Legislature is to convene the special session that is more than 15 days after the date on which the Secretary of State receives one or more substantially similar petitions signed, in the aggregate, by the required number of members calling for the special session pursuant to Section 2A of Article 4 of the Nevada Constitution; or
  - (c) The day after:
- (1) The date on which the Governor issues the proclamation calling for the special session and ending 15 days after the final adjournment of the special session if the Governor sets a specific date for the commencement of the

special session that is 15 or fewer days after the date on which the Governor issues the proclamation calling for the special session; or

- (2) The date on which the Secretary of State receives one or more substantially similar petitions signed, in the aggregate, by the required number of members of the Legislature calling for the special session and ending 15 days after the final adjournment of the special session if the members set a date on or before which the Legislature is to convene the special session that is 15 or fewer days after the date on which the Secretary of State receives the petitions.
- 2. [A] Except as otherwise provided in subsection 3, a person shall not make or commit to make a contribution or commitment prohibited by subsection 1.
- 3. This section does not prohibit the payment of a salary or other compensation or income to a member of the Legislature, the Lieutenant Governor or the Governor during [a session of the Legislature] the period set forth in subsection 1 if it is made for services provided as a part of his or her regular employment or is additional income to which he or she is entitled.
- 4. This section does not apply to any monetary contribution or commitment to make such a contribution that may be given to or accepted by a person pursuant to section 6 of this act. The provisions of this subsection do not authorize:
- (a) A person to accept or solicit a contribution, or solicit or accept a commitment to make such a contribution, other than a contribution authorized pursuant to section 6 of this act.
- (b) A person to make or commit to make a contribution other than a contribution authorized pursuant to section 6 of this act.
- <u>5.</u> As used in this section, "political purpose" includes, without limitation, the establishment of, or the addition of money to, a legal defense fund.
  - Sec. 15. NRS 294A.350 is hereby amended to read as follows:
- 294A.350 1. Except as otherwise provided in subsection 2, every candidate for office shall file the reports required by NRS 294A.120, 294A.125, 294A.128, 294A.200, 294A.286 and 294A.362, even though the candidate:
  - (a) Withdraws his or her candidacy pursuant to NRS 293.202 or 293C.195;
- (b) Ends his or her campaign without withdrawing his or her candidacy pursuant to NRS 293.202 or 293C.195;
  - (c) Receives no contributions;
  - (d) Has no campaign expenses;
  - (e) Is not opposed in the election by another candidate;
  - (f) Is defeated in the primary election;
  - (g) Is removed from the ballot by court order; or
  - (h) Is the subject of a petition to recall and the special election is not held.
- 2. A candidate described in paragraph (a), (b), (f) or (g) of subsection 1 may simultaneously file all the reports required by NRS 294A.120, 294A.125, 294A.128, 294A.200, 294A.286 and 294A.362 that are due after the candidate

disposes of any unspent or excess contributions as provided in subsections 4, [and] 5 and 6 of NRS 294A.160, as applicable, if the candidate gives written notice to the Secretary of State, on the form prescribed by the Secretary of State, that the candidate is ending his or her campaign and will not accept any additional contributions. If the candidate has submitted a withdrawal of candidacy pursuant to NRS 293.202 or 293C.195 to an officer other than the Secretary of State, the candidate must enclose with the notice a copy of the withdrawal of candidacy. A form submitted to the Secretary of State pursuant to this subsection must be signed by the candidate under an oath to God or penalty of perjury. A candidate who signs the form under an oath to God is subject to the same penalties as if the candidate had signed the form under penalty of perjury.

- 3. A candidate described in paragraph (b) of subsection 1 who simultaneously files reports pursuant to subsection 2 but is elected to office despite ending his or her campaign is subject to the reporting requirements set forth in NRS 294A.120, 294A.125, 294A.128, 294A.200, 294A.286 and 294A.362, beginning with the next report that is due pursuant to those sections after his or her election to office.
- Sec. 16. Chapter 306 of NRS is hereby amended by adding thereto the provisions set forth as sections 17, 18 and 19 of this act.
  - Sec. 17. 1. Except as otherwise provided in subsection 2:
- <u>(a)</u> If a petition for the recall of a public officer is submitted for signature verification pursuant to NRS 293.1276 to 293.1279, inclusive, the person who submits the petition must deposit in advance the estimated costs of the signature verification with the filing officer including, without limitation, the estimated costs for the Secretary of State and the county clerk of each county from which signatures on the petition were gathered to perform the requirements set forth in NRS 293.1276 to 293.1279, inclusive.
- [2:] (b) Upon completion of the verification of signatures, the Secretary of State and each county clerk who verified signatures on a petition for the recall of a public officer shall submit to the filing officer a statement of the actual costs incurred for carrying out the provisions of NRS 293.1276 to 293.1279, inclusive.
- $\frac{\{3,\}}{\{(a)\}}$  (c) If the sum deposited pursuant to  $\frac{\{a\}}{\{(a)\}}$  (1) In excess of the actual costs of the signature verification, the excess must be refunded to the person who submitted the petition for verification.
- [(b)] (2) Less than the actual costs of the signature verification, the person who submitted the petition for verification shall, upon demand, pay the deficiency to the filing officer who shall distribute the money to the Secretary of State and county clerks, as applicable.
- 2. The provisions of subsection 1 do not apply if the person who submits a petition for the recall of a public officer also submits to the filing officer a written declaration, signed under penalty of perjury, that:

- (a) Paying the costs of signature verification would cause the person an undue burden; and
- (b) No person will be paid to circulate the petition for signatures.
- → If a written declaration submitted pursuant to this subsection contains any false statement, the Secretary of State and county clerks may bring an action to recover the actual costs of the signature verification against each person who signed the notice of intent pursuant to NRS 306.015. Each person who signed the notice of intent is jointly and severally liable for the actual costs of the signature verification.
- 3. The Secretary of State shall adopt regulations necessary to carry out the provisions of this section, including, without limitation, defining the term "costs" for purposes of this section.
- Sec. 18. 1. It is unlawful for any person in connection with a petition for the recall of a public officer to knowingly or negligently obtain a false signature.
- 2. A person who violates a provision of this section is guilty of a category E felony and shall be punished as provided in NRS 193.130.
- Sec. 19. 1. In addition to any criminal penalty, a person who violates the provisions of this chapter is subject to a civil penalty in an amount not to exceed \$20,000 for each violation. This penalty must be recovered in a civil action brought in the name of the State of Nevada by the Attorney General or by any district attorney in a court of competent jurisdiction.
- 2. Each person who signs a notice of intent to circulate a petition for the recall of a public officer is jointly and severally liable for any civil penalty imposed pursuant to this section in relation to the petition for recall.
- 3. Any civil penalty collected pursuant to this section must be deposited by the collecting agency for credit to the State General Fund in the bank designated by the State Treasurer.
  - Sec. 20. NRS 306.015 is hereby amended to read as follows:
- 306.015 1. Before a petition to recall a public officer is circulated, the persons proposing to circulate the petition must file a notice of intent with the filing officer.
  - 2. The notice of intent:
  - (a) Must be signed by :
- (1) If the public officer was elected to a statewide office, three registered voters who actually [voted]:
- (I) <u>Voted</u> in this State <del>[or in the county, district or municipality electing the officer]</del> at the <del>[last preceding]</del> general election <u>[-]</u> at which the <u>public</u> officer was elected; and
- (II) Reside in this State on the date that the notice of intent is filed with the filing officer.
- (2) If the public officer was elected to a county, district or municipal office, three registered voters who actually:
- (I) Voted in the county, district or municipality at the general election at which the public officer was elected; and

- (II) Reside in the county, district or municipality on the date that the notice of intent is filed with the filing officer.
- (b) Must be signed before a person authorized by law to administer oaths that the statements and signatures contained in the notice are true.
- (c) Is valid until the date on which the call for a special election is issued, as set forth in NRS 306.040.
- 3. The petition may consist of more than one document. The persons filing the notice of intent shall submit *to the filing officer*:
- (a) On or before the 48th day after the date on which the notice of intent was filed, all signatures that were collected on the petition [that was circulated for signatures to the filing officer within 90 days] during the period beginning on the date on which the notice of intent was filed and ending on the 45th day after the date on which the notice of intent was filed. If such signatures are not submitted to the filing officer, it shall be deemed that any signature collected on or before the 45th day after the date on which the notice of intent is filed is not a valid signature.
- (b) On or before the 90th day after the date on which the notice of intent was filed ; all signatures that were collected beginning on the 46th day after the date after the date on which the notice of intent was filed and ending on the date of submission of the petition to the filing officer. The filing officer shall immediately submit the petition to the county clerk for verification pursuant to NRS 306.035.
- Any person who fails to submit the petition to the filing officer as required by this subsection is guilty of a misdemeanor. Copies of the petition are not valid for any subsequent petition.
- 4. The county clerk shall, upon completing the verification of the signatures on the petition, file the petition with the filing officer.
- 5. Any person who signs a petition to recall any public officer may request that the county clerk remove the person's name from the petition by submitting a request in writing to the county clerk at any time before [the petition is submitted for] the verification of the signatures thereon [pursuant to NRS 306.035.
- 6. A person who signs a notice of intent pursuant to subsection 1 or a petition to recall a public officer is immune from civil liability for conduct related to the exercise of the person's right to participate in the recall of a public officer.
- 7. As used in this section, "filing officer" means the officer with whom the public officer to be recalled filed his or her declaration of candidacy or acceptance of candidacy pursuant to NRS 293.185, 293C.145 or 293C.175.] is completed.
  - Sec. 20.5. NRS 306.020 is hereby amended to read as follows:
- 306.020 1. Every public officer in the State of Nevada is subject to recall from office by the registered voters of the State or of the county, district or municipality that the public officer represents, as provided in this chapter and Section 9 of Article 2 of the Constitution of the State of Nevada. A public

officer who is appointed to an elective office is subject to recall in the same manner as provided for an officer who is elected to that office.

- 2. The petition to recall a public officer may be signed by any registered voter of the State or of the county, district, municipality or portion thereof that the public officer represents who actually voted in the election at which the public officer was elected.
  - 3. The petition must [, in addition to setting]:
- (a) Set forth the reason why the recall is demanded \(\frac{1}{12}\)
- $\frac{(a)}{(a)}$ , which must appear on each signature page of the petition;
- <u>(b)</u> Contain the residence addresses of the signers and the date that the petition was signed;
- [(b)] (c) Contain a statement of the minimum number of signatures necessary to the validity of the petition;
- <del>[(e)]</del> <u>(d)</u> Contain at the top of each page and immediately above the signature line, in at least 10-point bold type, the words "Recall Petition";
  - [(d)] (e) Include the date that a notice of intent was filed; and
- <del>[(e)]</del> <u>(f)</u> Have the designation: "Signatures of registered voters seeking the recall of ....... (name of public officer for whom recall is sought)" on each page if the petition contains more than one page.
  - Sec. 21. NRS 306.025 is hereby amended to read as follows:
- 306.025 1. A person shall not misrepresent the intent or content of a petition for the recall of a public officer which is circulated pursuant to the provisions of this chapter.
- 2. Any person who violates the provisions of subsection 1 is guilty of a [misdemeanor.] category E felony and shall be punished as provided in NRS 193.130.
- Sec. 22. [NRS 306.035 is hereby amended to read as follows:
- 306.035 1. Before a petition to recall a state officer who is elected statewide is filed with the Secretary of State pursuant to subsection 4 of NRS 306.015, each county clerk must verify, pursuant to NRS 293.1276 to 293.1279, inclusive, all signatures on the document or documents which were circulated for signature within the clerk's county.
- 2. Before a petition to recall a State Senator, Assemblyman, Assemblywoman or a county, district or municipal officer is filed pursuant to subsection 4 of NRS 306.015, the county clerk must verify, pursuant to NRS 293.1276 to 293.1279, inclusive, all signatures on the document or documents which were circulated for signatures within the clerk's county.
- 3. If more than one document was circulated, all the documents must be submitted to the clerk at the same time.] (Deleted by amendment.)
  - Sec. 23. NRS 306.040 is hereby amended to read as follows:
- 306.040 1. Upon determining that the number of signatures on a petition to recall is sufficient pursuant to NRS 293.1276 to 293.1279, inclusive, the Secretary of State shall notify the county clerk, the *filing* officer [with whom the petition is to be filed pursuant to subsection 4 of NRS 306.015] and the public officer who is the subject of the petition.

- 2. [After the verification of signatures is complete, but not later than the date a complaint is filed pursuant to subsection 5 or the date the call for a special election is issued, whichever is earlier, a] A person who signs a petition to recall may request the [Secretary of State] filing officer to strike the person's name from the petition [.] on or before the date that is the later of:
- (a) Ten days, Saturdays, Sundays and holidays excluded, after the verification of signatures is complete; or
  - (b) The date a complaint is filed pursuant to subsection 6.
- 3. If the [person demonstrates good cause therefor and the number of such requests received by the Secretary of State could affect the sufficiency of the petition, the Secretary of State shall] filing officer receives a request pursuant to subsection 2, the filing officer must strike the name of the person from the petition. If the filing officer receives a sufficient number of requests to strike names from the petition such that the petition no longer contains enough valid signatures, no special election to recall a public officer may be held.
- [3.] 4. Not sooner than [10] 20 days [nor more] and not later than [20] 30 days, Saturdays, Sundays and holidays excluded, after the Secretary of State completes the notification required by subsection 1, if a complaint is not filed pursuant to subsection [5,] 6, the officer with whom the petition is filed shall issue a call for a special election in the jurisdiction in which the public officer who is the subject of the petition was elected to determine whether the people will recall the public officer.
- [4.] 5. The call for a special election pursuant to subsection [3 or 6] 4 or 7 must include, without limitation:
- (a) The last day on which a person may register to vote to qualify to vote in the special election;
- (b) The last day on which a petition to nominate other candidates for the office may be filed; and
- (c) Whether any person is entitled to vote in the special election pursuant to NRS 293.343 to 293.355, inclusive.
- [5.] 6. The legal sufficiency of the petition, including without limitation, the validity of signatures on the petition, may be challenged by filing a complaint in district court not later than [5] 15 days, Saturdays, Sundays and holidays excluded, after the Secretary of State completes the notification required by subsection 1. All affidavits and documents in support of the challenge must be filed with the complaint. The court shall set the matter for hearing not later than 30 days after the complaint is filed and shall give priority to such a complaint over all other matters pending with the court, except for criminal proceedings.
- [6.] 7. Upon the conclusion of the hearing, if the court determines that the petition is sufficient, it shall order the officer with whom the petition is filed to issue a call for a special election in the jurisdiction in which the public officer who is the subject of the petition was elected to determine whether the people will recall the public officer. If the court determines that the petition is

not sufficient, it shall order the officer with whom the petition is filed to cease any further proceedings regarding the petition.

- Sec. 23.5. NRS 218H.930 is hereby amended to read as follows:
- 218H.930 1. A lobbyist shall not knowingly or willfully make any false statement or misrepresentation of facts:
- (a) To any member of the Legislative Branch in an effort to persuade or influence the member in his or her official actions.
- (b) In a registration statement or report concerning lobbying activities filed with the Director.
- 2. A lobbyist shall not knowingly or willfully give any gift to a member of the Legislative Branch or a member of his or her immediate family, whether or not the Legislature is in a regular or special session.
- 3. A member of the Legislative Branch or a member of his or her immediate family shall not knowingly or willfully solicit or accept any gift from a lobbyist, whether or not the Legislature is in a regular or special session.
- 4. A person who employs or uses a lobbyist shall not make that lobbyist's compensation or reimbursement contingent in any manner upon the outcome of any legislative action.
- 5. Except during the period permitted by NRS 218H.200, a person shall not knowingly act as a lobbyist without being registered as required by that section.
- 6. Except as otherwise provided in subsection 7, a member of the Legislative or Executive Branch of the State Government and an elected officer or employee of a political subdivision shall not receive compensation or reimbursement other than from the State or the political subdivision for personally engaging in lobbying.
- 7. An elected officer or employee of a political subdivision may receive compensation or reimbursement from any organization whose membership consists of elected or appointed public officers.
- 8. A lobbyist shall not instigate the introduction of any legislation for the purpose of obtaining employment to lobby in opposition to that legislation.
- 9. A lobbyist shall not make, commit to make or offer to make a monetary contribution to a Legislator, the Lieutenant Governor, the Lieutenant Governor-elect, the Governor or the Governor-elect during the period [beginning:
- (a) Thirty days before a regular session and ending 30 days after the final adjournment of a regular session;
- (b) Fifteen days before a special session is set to commence and ending 15 days after the final adjournment of a special session, if:
- (1) The Governor sets a specific date for the commencement of the special session that is more than 15 days after the date on which the Governor issues the proclamation calling for the special session pursuant to Section 9 of Article 5 of the Nevada Constitution; or
- (2) The members of the Legislature set a date on or before which the Legislature is to convene the special session that is more than 15 days after the

date on which the Secretary of State receives one or more substantially similar petitions signed, in the aggregate, by the required number of members calling for the special session pursuant to Section 2A of Article 4 of the Nevada Constitution; or

# (c) The day after:

- (1) The date on which the Governor issues the proclamation calling for the special session and ending 15 days after the final adjournment of the special session if the Governor sets a specific date for the commencement of the special session that is 15 or fewer days after the date on which the Governor issues the proclamation calling for the special session; or
- (2) The date on which the Secretary of State receives one or more substantially similar petitions signed, in the aggregate, by the required number of members of the Legislature calling for the special session and ending 15 days after the final adjournment of the special session if the members set a date on or before which the Legislature is to convene the special session that is 15 or fewer days after the date on which the Secretary of State receives the petitions.] set forth in subsection 1 of NRS 294A.300 unless such act is otherwise authorized pursuant to subsection 4 of NRS 294A.300.
- Sec. 24. The regulations adopted by the Secretary of State which are codified as NAC 306.010, 306.012 and 306.014 are hereby declared void. In preparing the supplements to the Nevada Administrative Code on or after passage and approval of this bill, the Legislative Counsel shall remove those regulations.
- Sec. 25. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.
- Sec. 26. [1.] This [section and sections 24 and 25 of this act become] act becomes effective upon passage and approval.
- 2. Sections 1 to 23, inclusive, of this act become effective:
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
- (b) On January 1, 2020, for all other purposes.

Senator Ohrenschall moved the adoption of the amendment.

Remarks by Senator Ohrenschall.

Amendment No. 539 to Senate Bill No. 450 clarifies that 25 percent of recall petition signatures must be examined for recalls on Statewide office holders. For all other recall petitions, random sampling is not permitted, and all signatures must be verified; lifts the fundraising blackout period for certain officeholders who are the subject of a recall for duration of the recall and any subsequent recall election; clarifies that additional contribution and expense reporting is required in recall efforts, if a district court decision regarding a recall is appealed and extends the duration of the recall; provides for contribution and expense reporting for recall committees, with reports covering 45 days from the date of filing the notice of intent and from 46 to 90 days after the filing of the notice of intent; provides that upfront costs relating to a recall need not be deposited by proponents if the payment of such costs would cause an undue burden and no person is being paid to circulate signatures; sets forth a process whereby unpaid, actual costs of signature verification can be collected by the Secretary of State and the county clerks.

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Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

GENERAL FILE AND THIRD READING

Senate Bill No. 452

Bill read third time.

Remarks by Senators Ohrenschall and Settelmeyer.

#### SENATOR OHRENSCHALL:

Senate Bill No. 452 extends, from 14 days to 28 days prior to distribution, the date by which a person must notify the county and city election officer of the approximate number of absentee-ballot requests that will be distributed to a group of more than 500 registered voters. The measure changes from 21 days to 35 days prior to the election the last day such absentee-ballot requests may be mailed.

Senate Bill No. 452 also requires persons who distribute in large quantities forms to request an absentee ballot to include a notice to the voter that the voter is not receiving an official notice from the Secretary of State or the county or city clerk. The notice specifies that the voter may submit the form to the local election office but does not need to if he or she already requested an absentee ballot via conventional means. Finally, Senate Bill No. 452 authorizes a voter to submit his or her absentee ballot to an election board officer at an early-voting polling location and sets forth a process for securely handling such absent ballots when they are submitted.

There were some questions to section 1 of this bill related to returning an absentee ballot. The analysis I have done and in discussions with the Legal Division indicate restrictions in *Nevada Revised Statutes* (NRS) would still apply as to who can return an absentee ballot, if it is not returned by the voter him or herself. NRS 293.330 limits this to a family member. If the family member returns the absentee ballot for the voter, they need to sign a form under penalty of perjury that they are a family member, and the voter requested they turn in the ballot. The penalty for a violation is a category E felony.

The other exception in statute is NRS 293.316 which has to do with emergency procedures for someone to get an absentee ballot if, for example, they are suddenly admitted to the hospital or have to leave the State and are unable to vote. This is the one exception which allows a nonfamily member to return the ballot. These are rigorous requirements as to this process. There is no expansion in Senate Bill No. 452 as to who can deliver the absentee ballot. This bill requires clerks have a procedure during the early-voting period for people who want to turn in their absentee ballot in person rather than by mail.

### SENATOR SETTELMEYER:

Current law says only a family member or someone else if there is a medical emergency can turn in the ballot. Are you stating this bill will never allow a person to be a paid gatherer of absentee ballots?

# SENATOR OHRENSCHALL:

Senate Bill No. 452 does not change the provisions for a family member in NRS 293.330 or the provisions in 293.316 related to who can return absentee ballots. I do not see anyone other than a family member or the exception stated in NRS 293.316 as being allowed under this bill. There is no expansion related to someone being able to collect multiple ballots and turn them in.

#### SENATOR SETTELMEYER:

Line 9 of the bill says: "...they must be accepted by the elections board officer unless the person who delivered the absentee ballot is not authorized to return the absentee ballot on behalf of the absentee voter." In the counties I have seen, there is a box at the place of election and people toss their absentee ballots in that box. No one is certifying these or doing what they are supposed to be doing according to NRS to ensure the person depositing them has the authorization to do so. They are not checked. You see people walk up and simply throw their absentee ballot in the box. I am afraid the law is not now being obeyed. This bill states the election board officer must accept them unless they do not have authorization. How can we make people follow the law?

#### SENATOR OHRENSCHALL:

Nevada Revised Statutes 293.330 is clear as to the requirements. If someone comes in with a voted absentee ballot and represents they are a family member of the voter, they have to sign a declaration under penalty of perjury with the possibility of a category E felony. I checked with the Clark County and Washoe County Registrars, and they informed me this is the procedure in those counties. If a county is not following NRS 293.330, it needs to be corrected, as this statute states what needs to be done.

Roll call on Senate Bill No. 452:

YEAS—16.

NAYS—Goicoechea, Hammond, Hansen, Hardy, Settelmeyer—5.

Senate Bill No. 452 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

# UNFINISHED BUSINESS SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Assembly Bill No. 381.

## GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Hammond, the privilege of the floor of the Senate Chamber for this day was extended to Isabella Hammond, Olivia Hammond and Sofia Hammond.

Senator Cannizzaro moved that the Senate adjourn until Tuesday, April 23, 2019, at 11:00 a.m.

Motion carried.

Senate adjourned at 9:01 p.m.

Approved:

KATE MARSHALL
President of the Senate

Attest: CLAIRE J. CLIFT

Secretary of the Senate