THE NINETY-NINTH DAY

CARSON CITY (Monday), May 13, 2019

Senate called to order at 11:28 a.m.

President Marshall presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor Don Baumann.

Almighty God, You are the source of our life and strength. I ask on behalf of each Senator and each staff member that You would grant them strength and good humor equal to whatever they will encounter today and that You would enable them to complete the great task this Session entails.

You intend that governmental authority would reward what is good and stand against what is evil. Might each legislator seek You for wisdom and discernment so they may accomplish this on behalf of the citizens of our State.

We ask this in the Name of Jesus Christ, the Lord.

AMEN.

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 Commerce and Labor, to which were referred Assembly Bills Nos. 175, 204, 334, 398, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Commerce and Labor, to which were referred Senate Bill No. 502; Assembly Bills Nos. 239, 361, 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*

Madam President:

Your Committee on Finance, to which was re-referred Senate Bill No. 447, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass, as amended.

Also, your Committee on Finance, to which was referred Senate Bill No. 520, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JOYCE WOODHOUSE, *Chair*

Madam President:

Your Committee on Government Affairs, to which were referred Assembly Bills Nos. 34, 39, 71, 206, 230, 270, 280, 406, 478, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DAVID R. PARKS, *Chair*

Madam President:

Your Committee on Growth and Infrastructure, to which were referred Assembly Bills Nos. 54, 201, 320, 499, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Growth and Infrastructure, to which were referred Assembly Bills Nos. 363, 403, 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 Assembly Bill No. 469, 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 Health and Human Services, to which was re-referred Assembly Bill No. 353, 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 Assembly Bills Nos. 117, 140, 272, 299, 347, 410, 432, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

NICOLE J. CANNIZZARO, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 10, 2019

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed Senate Bills Nos. 9, 45, 137, 173, 223, 426, 433.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bill No. 517.

Also, I have the honor to inform your honorable body that the Assembly amended, and on this day passed, as amended, Senate Bill No. 225, Amendment No. 658, and respectfully requests your honorable body to concur in said amendment.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 656 to Assembly Bill No. 110.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES

Senator Spearman moved that Assembly Bill No. 457 be taken from the Secretary's desk and placed at the bottom of the General File.

Motion carried.

Senator Ratti moved that, for this legislative day, all necessary rules be suspended, and that Assembly Bill No. 469 reported out of Committee be immediately placed on the Second Reading File.

Motion carried.

Senator Cannizzaro gave notice, per Senate Standing Rule No. 91, that on the next legislative day, the Senate would begin to suspend necessary Standing Rules in order to accommodate the movement of bills and resolutions out of the Senate in a timely manner.

Senator Cannizzaro moved that Senate Bill No. 94; Assembly Bills Nos. 25, 28, 52, 58, 59, 93, 122, 126, 258, 333, 365; Assembly Joint Resolution Nos. 3, 7 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 543—AN ACT relating to education; creating the State Education Fund; revising the method for determining the amount of and distributing money to support the operation of the public schools in this State; establishing certain requirements for the accounting and use of such money; establishing requirements for the establishment of budgetary estimates relating to the public schools in this State; creating the Commission on School Funding and establishing its duties; establishing provisions relating to reports of expenditures by public schools; directing certain revenues to be deposited in the State Education Fund; and providing other matters properly relating thereto.

Senator Woodhouse moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 517.

Senator Ratti moved that the bill be referred to the Committee on Finance.

Motion carried.

SECOND READING AND AMENDMENT

Assembly Bill No. 95.

Bill read second time and ordered to third reading.

Assembly Bill No. 164.

Bill read second time.

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

Amendment No. 667.

SUMMARY—Revises provisions relating to marijuana. (BDR 40-619)

AN ACT relating to marijuana; imposing certain requirements relating to advertising by a marijuana establishment and a medical marijuana establishment; revising provisions relating to medical marijuana establishment agents; providing for the registration of agents who work or volunteer at or contract with a marijuana establishment; revising provisions relating to disciplinary action against a medical marijuana establishment agent and a marijuana establishment agent; authorizing civil penalties for certain violations relating to advertising; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Department of Taxation to adopt regulations governing medical marijuana establishments and marijuana establishments. (NRS 453A.370, 453D.200) Existing regulations prohibit a medical marijuana establishment from using a name, logo, sign or advertisement and a marijuana establishment from using a name, logo, sign, advertisement or packaging without obtaining the approval of the Department prior to use. (NAC 453A.402, 453D.473) Sections 4 and 11 of this bill prohibit the Department from requiring a medical marijuana establishment or a marijuana establishment to obtain the approval of the Department before using a logo, sign or advertisement, thereby voiding the conflicting regulatory provisions.

Existing law that becomes effective January 1, 2020, imposes restrictions on advertising by a marijuana establishment. One such restriction prohibits a marijuana establishment from placing an advertisement at a sports or entertainment event to which persons who are less than 21 years of age are allowed entry. (NRS 453D.310) Section 12 of this bill authorizes a marijuana establishment to place an advertisement at such an entertainment event if it is reasonably estimated that less than 30 percent of the persons who will attend that entertainment event are less than 21 years of age. Existing law also prohibits a marijuana establishment from advertising on certain mediums 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. (NRS 453D.310) Section 12 requires a marijuana establishment that engages in advertising for which it is required to determine the percentage of persons less than 21 years of age that may reasonably be expected to view or hear the advertisement to maintain certain documentation relating to the manner in which it determined the reasonably expected age of the audience for that advertisement. Section 12 also authorizes the Department to impose a civil penalty on a marijuana establishment for violating certain provisions relating to advertising. Section 4 imposes similar restrictions on advertising by a medical marijuana establishment and authorizes the Department to impose a civil penalty on a medical marijuana establishment for violating such provisions. Sections 4, 12, 12.3 and 12.7 of this bill authorize a local government to adopt an ordinance regulating the content of advertisements used by a marijuana establishment or medical marijuana establishment if such an ordinance sets forth specific prohibited content for such advertisements.

Existing law prohibits a person from volunteering or working at, contracting to provide labor to or being employed by an independent contractor to provide labor to a medical marijuana establishment unless the person is registered with the Department and issued a medical marijuana establishment agent registration card. (NRS 453A.332) Section 6 of this bill establishes a similar prohibition for marijuana establishments.

Existing law establishes the application process and fees required to obtain a medical marijuana establishment agent registration card. (NRS 453A.332) Existing regulations provide for a similar application process and similar fees

to obtain a marijuana establishment agent registration card. (NAC 453D.340) Section 6 establishes this process in statute. Section 6: (1) transfers, from regulation to statute, existing authority to collect a fee; and (2) limits the amount of that fee to the amount currently authorized by existing regulations. ~~[Sections 1 and 6 of this bill expand the period of validity for a medical marijuana establishment agent registration card and a marijuana establishment agent registration card from 1 year to 2 years.]~~ Section 1 of this bill removes provisions authorizing a medical marijuana establishment to submit the application and fees for a medical marijuana registration card on behalf of a prospective agent.

Existing law requires each applicant for registration as a medical marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission authorizing the Department to submit the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report. (NRS 453A.332) Section 1 of this bill eliminates this requirement and instead authorizes the Department to impose this requirement on an applicant or conduct and accept any background check the Department determines to be reliable and expedient. Section 6 makes a similar change concerning applicants for registration as a marijuana establishment agent.

Existing law outlines the procedure, in accordance with federal law, for the suspension of a medical marijuana establishment agent registration card in the event that the holder fails to comply with certain requirements pertaining to the payment of child support. (NRS 453A.336, 453A.338) Sections 7 and 8 of this bill provide a similar procedure for the suspension of a marijuana establishment agent registration card.

Existing law specifies acts which constitute grounds for the immediate revocation of a medical marijuana establishment agent registration card. (NRS 453A.342) Section 3 of this bill expands the grounds for revocation to include: (1) having been electronically recorded stealing marijuana, edible marijuana products or marijuana-infused products; (2) having been convicted of any crime involving the theft of marijuana or such other marijuana products; (3) having been electronically recorded consuming marijuana on the premises of a marijuana establishment; and (4) intentionally submitting false documents to the Department or a local government. Section 9 of this bill establishes similar grounds for revoking a marijuana establishment agent registration card.

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

Section 1. NRS 453A.332 is hereby amended to read as follows:

453A.332 1. Except as otherwise provided in this section, a person shall not volunteer or work at, contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment as a medical marijuana establishment agent unless the person is registered with the Department pursuant to this section.

2. A person who wishes to volunteer or work at a medical marijuana establishment ~~[, or a medical marijuana establishment that wishes to retain as a volunteer or employ such a person,]~~ shall submit to the Department an application on a form prescribed by the Department. The application must be accompanied by:

(a) The name, address and date of birth of the prospective medical marijuana establishment agent;

(b) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(c) A statement signed by the prospective medical marijuana establishment agent asserting that he or she has not previously had a medical marijuana establishment agent registration card revoked;

(d) ~~[A complete set of the fingerprints and written permission of the prospective medical marijuana establishment agent 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;~~

~~(e)]~~ The application fee, as set forth in NRS 453A.344; and

~~[(f)]~~ *(e)* Such other information as the Department may require by regulation.

3. A person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment ~~[, or a medical marijuana establishment that wishes to contract with such a person,]~~ shall submit to the Department an application on a form prescribed by the Department for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a medical marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective medical marijuana establishment agent has a state business license, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent;

(c) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective medical marijuana establishment agent asserting that it has not previously had a medical marijuana establishment agent registration card revoked and that none of its employees

who will provide labor as a medical marijuana establishment agent have previously had a medical marijuana establishment agent registration card revoked;

(e) ~~[A complete set of the fingerprints of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent and written permission of the prospective medical marijuana establishment agent and each employee of the prospective medical marijuana establishment agent 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;~~

~~(f)]~~ The application fee, as set forth in NRS 453A.344; and

~~[(g)]~~ *(f)* Such other information as the Department may require by regulation.

4. *The Department may conduct any investigation of a prospective medical marijuana establishment agent and, for an independent contractor, each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent, that the Department deems appropriate. In connection with such an investigation, the Department may:*

(a) Conduct or accept any background check the Department determines to be reliable and expedient to determine the criminal history of the prospective medical marijuana establishment agent or the employee;

(b) Require a prospective medical marijuana establishment agent, if a natural person, and each employee of a prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission 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; and

(c) If the Department imposes the requirement described in paragraph (b), submit the fingerprints of the prospective medical marijuana establishment agent and each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

5. A medical marijuana establishment shall notify the Department within 10 days after a medical marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a medical marijuana establishment agent to the medical marijuana establishment.

~~[5.]~~ *6.* A person who:

(a) Has been convicted of an excluded felony offense; or

(b) Is less than 21 years of age,

➥ shall not serve as a medical marijuana establishment agent.

~~[6. The Department shall submit the fingerprints of an applicant for registration as a medical marijuana establishment agent to the Central~~

~~Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of the applicant.]~~

7. The provisions of this section do not require a person who is an owner, officer or board member of a medical marijuana establishment to resubmit information already furnished to the Department at the time the establishment was registered with the Department.

8. If an applicant for registration as a medical marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a medical marijuana establishment agent, a medical marijuana establishment agent registration card. If the Department does not act upon an application for a medical marijuana establishment agent registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the Department acts upon the application. A medical marijuana establishment agent registration card expires 1 year ~~[2 years]~~ after the date of issuance and may be renewed upon:

(a) Resubmission of the information set forth in this section; and

(b) Payment of the renewal fee set forth in NRS 453A.344.

9. A medical marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any medical marijuana establishment in this State.

10. A medical marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a medical marijuana establishment authorizes the person to volunteer or work at any medical marijuana establishment in this State for which the category of the medical marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a medical marijuana establishment agent is deemed temporarily registered as a medical marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a medical marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 2. NRS 453A.332 is hereby amended to read as follows:

453A.332 1. Except as otherwise provided in this section, a person shall not volunteer or work at, contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment as a medical marijuana establishment agent unless the person is registered with the Department pursuant to this section.

2. A person who wishes to volunteer or work at a medical marijuana establishment shall submit to the Department an application on a form prescribed by the Department. The application must be accompanied by:

(a) The name, address and date of birth of the prospective medical marijuana establishment agent;

(b) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(c) A statement signed by the prospective medical marijuana establishment agent asserting that he or she has not previously had a medical marijuana establishment agent registration card *or marijuana establishment agent registration card, as defined in NRS 453D.030,* revoked;

(d) The application fee, as set forth in NRS 453A.344; and

(e) Such other information as the Department may require by regulation.

3. A person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment shall submit to the Department an application on a form prescribed by the Department for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a medical marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective medical marijuana establishment agent has a state business license, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent;

(c) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective medical marijuana establishment agent asserting that it has not previously had a medical marijuana establishment agent registration card *or marijuana establishment agent registration card, as defined in NRS 453D.030,* revoked and that none of its employees who will provide labor as a medical marijuana establishment agent have previously had a medical marijuana establishment agent registration card *or marijuana establishment agent registration card, as defined in NRS 453D.030,* revoked;

(e) The application fee, as set forth in NRS 453A.344; and

(f) Such other information as the Department may require by regulation.

4. The Department may conduct any investigation of a prospective medical marijuana establishment agent and, for an independent contractor, each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent, that the Department deems appropriate. In connection with such an investigation, the Department may:

(a) Conduct or accept any background check the Department determines to be reliable and expedient to determine the criminal history of the prospective medical marijuana establishment agent or the employee;

(b) Require a prospective medical marijuana establishment agent, if a natural person, and each employee of a prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission 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; and

(c) If the Department imposes the requirement described in paragraph (b), submit the fingerprints of the prospective medical marijuana establishment agent and each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

5. A medical marijuana establishment shall notify the Department within 10 days after a medical marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a medical marijuana establishment agent to the medical marijuana establishment.

6. A person who:

(a) Has been convicted of an excluded felony offense; or

(b) Is less than 21 years of age,

➥ shall not serve as a medical marijuana establishment agent.

7. The provisions of this section do not require a person who is an owner, officer or board member of a medical marijuana establishment to resubmit information already furnished to the Department at the time the establishment was registered with the Department.

8. If an applicant for registration as a medical marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a medical marijuana establishment agent, a medical marijuana establishment agent registration card. If the Department does not act upon an application for a medical marijuana establishment agent registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the Department acts upon the

application. A medical marijuana establishment agent registration card expires 1 year after the date of issuance and may be renewed upon:

(a) Resubmission of the information set forth in this section; and

(b) Payment of the renewal fee set forth in NRS 453A.344.

9. A medical marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any medical marijuana establishment in this State.

10. A medical marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a medical marijuana establishment authorizes the person to volunteer or work at any medical marijuana establishment in this State for which the category of the medical marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a medical marijuana establishment agent is deemed temporarily registered as a medical marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a medical marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 3. NRS 453A.342 is hereby amended to read as follows:

453A.342 The following acts constitute grounds for the immediate revocation of the medical marijuana establishment agent registration card of a medical marijuana establishment agent:

1. Having committed or committing any excluded felony offense.

2. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver.

3. *Having been electronically recorded by a video monitoring system stealing marijuana, edible marijuana products or marijuana-infused products.*

4. Having been convicted of any crime involving the theft of marijuana, edible marijuana products or marijuana-infused products.

5. Having been electronically recorded by a video monitoring system smoking or otherwise consuming marijuana on the premises of a medical marijuana establishment.

6. Intentionally submitting to the Department or a local government any document required under the provisions of this chapter which is false or contains any material misstatement of fact.

7. Violating a regulation of the Department, the violation of which is stated to be grounds for immediate revocation of a medical marijuana establishment agent registration card.

Sec. 4. NRS 453A.360 is hereby amended to read as follows:

453A.360 1. Each medical marijuana dispensary and facility for the production of edible marijuana products or marijuana-infused products shall, in consultation with the Department, cooperate to ensure that all edible marijuana products and marijuana-infused products offered for sale:

(a) Are labeled clearly and unambiguously:

(1) As medical marijuana with the words "THIS IS A MEDICAL MARIJUANA PRODUCT" in bold type; and

(2) As required by NRS 453A.320 to 453A.370, inclusive, 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 facility for the production of edible marijuana products or marijuana-infused products 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 amount of THC in the product, measured in milligrams, 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 facility for the production of edible marijuana products or marijuana-infused products shall not produce edible marijuana products in any form that:

(a) Is or appears to be a lollipop.

(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 cannabis, as defined in NRS 453.042, to a commercially available candy or snack food item other than dried fruit, nuts or granola.

3. A facility for the production of edible marijuana products or marijuana-infused products shall:

(a) Seal any edible marijuana product that consists of cookies or brownies in a bag or other container which is not transparent.

(b) Affix a label to each edible marijuana product 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 edible marijuana product;

(3) A list of all allergens in the edible marijuana product; and

(4) The total weight of marijuana contained in the edible 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 edible marijuana products are cooked or otherwise prepared.

(d) Require each person who handles edible marijuana products to wear a hair net and clean clothing and keep his or her fingernails neatly trimmed.

(e) Package all edible marijuana products or marijuana-infused products produced by the facility for the production of edible marijuana products or marijuana-infused products on the premises of the facility for the production of edible marijuana products or marijuana-infused products.

4. A medical marijuana dispensary or facility for the production of edible marijuana products or marijuana-infused products shall not engage in advertising that in any way makes marijuana, edible marijuana products or marijuana-infused products appeal to children, including without limitation, advertising which uses an image of a cartoon character, mascot, action figure, balloon, fruit or toy.

5. Each medical marijuana dispensary shall offer for sale containers for the storage of marijuana, edible marijuana products and marijuana-infused products which lock and are designed to prohibit children from unlocking and opening the container.

6. A medical marijuana dispensary shall:

(a) Include a written notification with each sale of marijuana, edible marijuana products or marijuana-infused products which advises the purchaser:

(1) To keep marijuana, edible marijuana products and marijuana-infused products out of the reach of children;

(2) That edible marijuana products can cause severe illness in children;

(3) That allowing children to ingest marijuana or edible marijuana products or storing marijuana or edible 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 edible marijuana products may be delayed by 2 hours or more and users of edible 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 edible marijuana products;

(6) That ingesting marijuana or edible 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 edible marijuana products can impair concentration, coordination and judgment and a person should not operate a motor vehicle while under the influence of marijuana or edible marijuana products; and

(8) That ingestion of any amount of marijuana or edible marijuana products before driving may result in criminal prosecution for driving under the influence.

(b) Enclose all marijuana, edible marijuana products and marijuana-infused products in opaque, child-resistant packaging upon sale.

7. A medical marijuana dispensary shall 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.

8. If the health authority, as defined in NRS 446.050, where a facility for the production of edible marijuana products or marijuana-infused products or medical marijuana dispensary which sells edible marijuana products is located requires persons who handle food at a food establishment to obtain certification, the facility for the production of edible marijuana products or marijuana-infused products or medical marijuana dispensary shall ensure that at least one employee maintains such certification.

9. A medical 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, edible marijuana products or marijuana-infused products;

(3) Depicts the actual consumption of marijuana, edible marijuana products or marijuana-infused products; or

(4) Depicts a child or other person who is less than 21 years of age consuming marijuana, edible marijuana products or marijuana-infused 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, edible marijuana products or marijuana-infused 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;

(3) At a sports event to which persons who are less than 21 years of age are allowed entry; or

(4) At an entertainment event if it is reasonably estimated that 30 percent or more of the persons who will attend that entertainment event are less than 21 years of age.

(d) Shall not advertise or offer any marijuana, edible marijuana product or marijuana-infused product as "free" or "donated" without a purchase.

(e) Shall ensure that all advertising by the medical 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. If a medical marijuana establishment engages in advertising for which it is required to determine the percentage of persons who are less than 21 years of age and who may reasonably be expected to view or hear the advertisement, the medical marijuana establishment shall maintain documentation for not less than 5 years after the date on which the advertisement is first broadcasted, published or otherwise displayed that demonstrates the manner in which the medical marijuana establishment determined the reasonably expected age of the audience for that advertisement.

11. 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;

(c) Any stationary or moving display that is located on or near the premises of a medical marijuana establishment; and

(d) The content of any advertisement used by a medical marijuana establishment if the ordinance sets forth specific prohibited content for such an advertisement.

12. The Department shall not require a medical marijuana establishment to obtain the approval of the Department before using a logo, sign or advertisement.

13. In addition to any other penalties provided for by law, the Department may impose a civil penalty upon a medical marijuana establishment that violates the provisions of subsection 9 or 10 as follows:

(a) For the first violation in the immediately preceding 2 years, a civil penalty not to exceed $1,250.

(b) For the second violation in the immediately preceding 2 years, a civil penalty not to exceed $2,500.

(c) For the third violation in the immediately preceding 2 years, a civil penalty not to exceed $5,000.

(d) For the fourth violation in the immediately preceding 2 years, a civil penalty not to exceed $10,000.

14. As used in this section, "motor vehicle used for public transportation" does not include a taxicab, as defined in NRS 706.124.

Sec. 5. Chapter 453D of NRS is hereby amended by adding thereto the provisions set forth as sections 6 to 9, inclusive, of this act.

Sec. 6. *1. Except as otherwise provided in this section, a person shall not volunteer or work at, contract to provide labor to or be employed by an independent contractor to provide labor to a marijuana establishment as a marijuana establishment agent unless the person is registered with the Department pursuant to this section.*

2. A person who wishes to volunteer or work at a marijuana establishment shall submit to the Department an application on a form prescribed by the Department. The application must be accompanied by:

(a) The name, address and date of birth of the prospective marijuana establishment agent;

(b) A statement signed by the prospective marijuana establishment agent pledging not to dispense or otherwise divert marijuana to any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(c) A statement signed by the prospective marijuana establishment agent asserting that he or she has not previously had a medical marijuana establishment agent registration card or marijuana establishment agent registration card revoked;

(d) An application fee not to exceed $75; and

(e) Such other information as the Department may require by regulation.

3. A person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a marijuana establishment shall submit to the Department an application on a form prescribed by the Department for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective marijuana establishment agent has a state business license, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective marijuana establishment agent who will provide labor as a marijuana establishment agent;

(c) A statement signed by the prospective marijuana establishment agent pledging not to dispense or otherwise divert marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not

authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective marijuana establishment agent asserting that it has not previously had a marijuana establishment agent registration card or medical marijuana agent registration card revoked and none of its employees who will provide labor as a marijuana establishment agent have previously had a medical marijuana establishment agent registration card or marijuana establishment registration card revoked;

(e) An application fee not to exceed $75 for the prospective marijuana establishment agent and for each employee of the prospective marijuana establishment who will provide labor as a marijuana establishment agent; and

(f) Such other information as the Department may require by regulation.

4. The Department may conduct any investigation of a prospective marijuana establishment agent and, for an independent contractor, each employee of the prospective marijuana establishment agent who will provide labor as a marijuana establishment agent, that the Department deems appropriate. In connection with such an investigation, the Department may:

(a) Conduct or accept any background check the Department determines to be reliable and expedient to determine the criminal history of the prospective marijuana establishment agent or the employee;

(b) Require a prospective marijuana establishment agent, if a natural person, and each employee of a prospective marijuana establishment agent who will provide labor as a marijuana establishment agent to submit to the Department a complete set of fingerprints and written permission 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; and

(c) If the Department imposes the requirement described in paragraph (b), submit the fingerprints of the prospective marijuana establishment agent and each employee of the prospective marijuana establishment agent who will provide labor as a marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

5. A marijuana establishment shall notify the Department within 10 days after a marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a marijuana establishment agent to the marijuana establishment.

6. A person who:

(a) Has been convicted of an excluded felony offense; or

(b) Is less than 21 years of age,

➥ shall not serve as a marijuana establishment agent.

7. The provisions of this section do not require a person who is an owner, officer or board member of a marijuana establishment to resubmit information already furnished to the Department at the time the establishment was registered with the Department.

8. If an applicant for registration as a marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a marijuana establishment agent, a marijuana establishment agent registration card. If the Department does not act upon an application for a marijuana establishment registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the Department acts upon the application. A marijuana establishment agent registration card expires ~~[2 years]~~ 1 year after the date of issuance and may be renewed upon:

(a) Resubmission of the information set forth in this section; and

(b) Payment of a renewal fee not to exceed $75.

9. A marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any marijuana establishment in this State.

10. A marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a marijuana establishment authorizes the person to volunteer or work at any marijuana establishment in this State for which the category of the marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a marijuana establishment agent is deemed temporarily registered as a marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 7. *1. In addition to any other requirements set forth in this chapter, an applicant for the issuance or renewal of a marijuana establishment agent registration card shall:*

(a) Include the social security number of the applicant in the application submitted to the Department.

(b) Submit to the Department 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 Department 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 marijuana establishment agent registration card; or

(b) A separate form prescribed by the Department.

3. A marijuana establishment agent registration card may not be issued or renewed by the Department 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 Department 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. 8. *1. If the Department 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 marijuana establishment agent registration card, the Department shall deem the card 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 Department receives a letter issued to the holder of the card by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the card has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.*

2. The Department shall reinstate a marijuana establishment agent registration card that has been suspended by a district court pursuant to NRS 425.540 if the Department receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose card was suspended stating that the person whose card was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

Sec. 9. *The following acts constitute grounds for the immediate revocation of the marijuana establishment agent registration card of a marijuana establishment agent:*

1. Having committed or committing any excluded felony offense.

2. Dispensing, delivering or otherwise transferring marijuana to a person who is not authorized by law to possess marijuana in accordance with the provisions of this chapter.

3. Having been electronically recorded by a video monitoring system stealing marijuana or marijuana products.

4. Having been convicted of any crime involving the theft of marijuana or marijuana products.

5. Having been electronically recorded by a video monitoring system smoking or otherwise consuming marijuana on the premises of a marijuana establishment.

6. Intentionally submitting to the Department or a local government any document required under the provisions of this chapter which is false or contains any material misstatement of fact.

7. Violating a regulation of the Department, the violation of which is stated to be grounds for immediate revocation of a marijuana establishment agent registration card.

Sec. 10. NRS 453D.030 is hereby amended to read as follows:

453D.030 As used in this chapter, unless the context otherwise requires:

1. "Community facility" means a facility licensed to provide day care to children, a public park, a public playground, a public swimming pool, a center or facility the primary purpose of which is to provide recreational opportunities or services to children or adolescents, or a church, synagogue, or other building, structure, or place used for religious worship or other religious purpose.

2. "Concentrated marijuana" means the separated resin, whether crude or purified, obtained from marijuana.

3. "Consumer" means a person who is 21 years of age or older who purchases marijuana or marijuana products for use by persons 21 years of age or older, but not for resale to others.

4. "Department" means the Department of Taxation.

5. "Dual licensee" means a person or group of persons who possess a current, valid registration certificate to operate a medical marijuana establishment pursuant to chapter 453A of NRS and a license to operate a marijuana establishment under this chapter.

6. "Excluded felony offense" means a conviction of an offense that would constitute a category A felony if committed in Nevada or convictions for two or more offenses that would constitute felonies if committed in Nevada. "Excluded felony offense" does not include:

(a) A criminal offense for which the sentence, including any term of probation, incarceration, or supervised release, was completed more than 10 years ago; or

(b) An offense involving conduct that would be immune from arrest, prosecution, or penalty pursuant to chapter 453A of NRS, except that the conduct occurred before the effective date of chapter 453A of NRS (October 1, 2001), or was prosecuted by an authority other than the State of Nevada.

7. "Locality" means a city or town, or, in reference to a location outside the boundaries of a city or town, a county.

8. "Marijuana" means all parts of any plant of the genus Cannabis, whether growing or not, the seeds thereof, the resin extracted from any part of the plant,

and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Marijuana" does not include:

(a) The mature stems of the plant, fiber produced from the stems, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stems (except the resin extracted therefrom), fiber, oil, or cake, the sterilized seed of the plant which is incapable of germination; or

(b) The weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

9. "Marijuana cultivation facility" means an entity licensed to cultivate, process, and package marijuana, to have marijuana tested by a marijuana testing facility, and to sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

10. "Marijuana distributor" means an entity licensed to transport marijuana from a marijuana establishment to another marijuana establishment.

11. "Marijuana establishment" means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, a marijuana distributor, or a retail marijuana store.

12. *"Marijuana establishment agent" means an owner, officer, board member, employee or volunteer of a marijuana establishment, an independent contractor who provides labor relating to the cultivation, processing or distribution of marijuana or the production of marijuana or marijuana products for a marijuana establishment or an employee of such an independent contractor.*

13. "Marijuana establishment agent registration card" means a registration card that is issued by the Department pursuant to section 6 of this act to authorize a person to volunteer or work at a marijuana establishment.

14. "Marijuana product manufacturing facility" means an entity licensed to purchase marijuana, manufacture, process, and package marijuana and marijuana products, and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

~~[13.]~~ *15.* "Marijuana products" means products comprised of marijuana or concentrated marijuana and other ingredients that are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

~~[14.]~~ *16.* "Marijuana paraphernalia" means any equipment, products, and materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, preparing, testing, analyzing, packaging, repacking, storing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body.

~~[15.]~~ *17.* "Marijuana testing facility" means an entity licensed to test marijuana and marijuana products, including for potency and contaminants.

~~[16.]~~ *18.* "Process" means to harvest, dry, cure, trim, and separate parts of the marijuana plant by manual or mechanical means, such as sieving or ice water separation, but not by chemical extraction or chemical synthesis.

~~[17.]~~ *19.* "Public place" means an area to which the public is invited or in which the public is permitted regardless of age. "Public place" does not include a retail marijuana store.

~~[18.]~~ *20.* "Retail marijuana store" means an entity licensed to purchase marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities and retail marijuana stores, and to sell marijuana and marijuana products to consumers.

~~[19.]~~ *21.* "Unreasonably impracticable" means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably prudent businessperson.

Sec. 11. NRS 453D.200 is hereby amended to read as follows:

453D.200 1. Not later than January 1, 2018, the Department shall adopt all regulations necessary or convenient to carry out the provisions of this chapter. The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations that make their operation unreasonably impracticable. The regulations shall include:

(a) Procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana establishment;

(b) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana establishment;

(c) Requirements for the security of marijuana establishments;

(d) Requirements to prevent the sale or diversion of marijuana and marijuana products to persons under 21 years of age;

(e) Requirements for the packaging of marijuana and marijuana products, including requirements for child-resistant packaging;

(f) Requirements for the testing and labeling of marijuana and marijuana products sold by marijuana establishments including a numerical indication of potency based on the ratio of THC to the weight of a product intended for oral consumption;

(g) Requirements for record keeping by marijuana establishments;

(h) Reasonable restrictions on signage, marketing, display, and advertising ~~[;]~~ *, except that such restrictions must not require a marijuana establishment to obtain the approval of the Department before using a logo, sign or advertisement;*

(i) Procedures for the collection of taxes, fees, and penalties imposed by this chapter;

(j) Procedures and requirements to enable the transfer of a license for a marijuana establishment to another qualified person and to enable a licensee to move the location of its establishment to another suitable location;

(k) Procedures and requirements to enable a dual licensee to operate medical marijuana establishments and marijuana establishments at the same location;

(l) Procedures to establish the fair market value at wholesale of marijuana; and

(m) Civil penalties for the failure to comply with any regulation adopted pursuant to this section or for any violation of the provisions of NRS 453D.300.

2. The Department shall approve or deny applications for licenses pursuant to NRS 453D.210.

3. The Department may by motion or on complaint, after investigation, notice of the specific violation, and an opportunity for a hearing, pursuant to the provisions of chapter 233B of NRS, suspend, revoke, or fine a licensee for the violation of this chapter or for a violation of a regulation adopted by the Department pursuant to this section.

4. The Department may immediately suspend the license of any marijuana establishment if the marijuana establishment knowingly sells, delivers, or otherwise transfers marijuana in violation of this chapter or knowingly purchases marijuana from any person not licensed pursuant to this chapter or to chapter 453A of NRS. The Department must provide an opportunity for a hearing pursuant to the provisions of NRS 233B.121 within a reasonable time from a suspension pursuant to this subsection.

5. To ensure that individual privacy is protected:

(a) The Department shall not require a consumer to provide a retail marijuana store with identifying information other than government-issued identification to determine the consumer's age; and

(b) A retail marijuana store must not be required to acquire and record personal information about consumers other than information typically acquired in a financial transaction conducted at a retail liquor store.

6. The Department shall conduct a background check of each prospective owner, officer, and board member of a marijuana establishment license applicant.

7. The Department shall inspect marijuana establishments as necessary to enforce this chapter or the regulations adopted pursuant to this section.

Sec. 12. 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 ~~[.]~~ *; or*

(4) At an entertainment event if it is reasonably estimated that 30 percent or more of the persons who will attend that entertainment event are less than 21 years of age.

(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. *If a marijuana establishment engages in advertising for which it is required to determine the percentage of persons who are less than 21 years of age and who may reasonably be expected to view or hear the advertisement, the marijuana establishment shall maintain documentation for not less than 5 years after the date on which the advertisement is first broadcasted, published or otherwise displayed that demonstrates the manner in which the marijuana establishment determined the reasonably expected age of the audience for that advertisement.*

11. 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 ~~[.]~~ *; and*

(d) The content of any advertisement used by a marijuana establishment if the ordinance sets forth specific prohibited content for such an advertisement.

12. In addition to any other penalties provided for by law, the Department may impose a civil penalty upon a marijuana establishment that violates the provisions of subsection 9 or 10 as follows:

(a) For the first violation in the immediately preceding 2 years, a civil penalty not to exceed $1,250.

(b) For the second violation in the immediately preceding 2 years, a civil penalty not to exceed $2,500.

(c) For the third violation in the immediately preceding 2 years, a civil penalty not to exceed $5,000.

(d) For the fourth violation in the immediately preceding 2 years, a civil penalty not to exceed $10,000.

13. As used in this section, "motor vehicle used for public transportation" does not include a taxicab, as defined in NRS 706.124.

Sec. 12.3. NRS 244.35253 is hereby amended to read as follows:

244.35253 1. Except as otherwise provided in this section, a board of county commissioners shall not fix, impose or collect a license tax for revenue or for regulation, or for both revenue and regulation, on a marijuana establishment or medical marijuana establishment located in the county.

2. Except as otherwise provided in subsection 3, a board of county commissioners may fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on a marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns as a:

(a) Flat fee;

(b) Percentage of the gross revenue of the marijuana establishment or medical marijuana establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the marijuana establishment or medical marijuana establishment.

3. The total amount of a license tax imposed on a marijuana establishment or medical marijuana establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c) of subsection 2, must not exceed 3 percent of the gross revenue of the marijuana establishment or medical marijuana establishment, as applicable.

4. In addition to any amount of money collected as a license tax pursuant to subsection 2, a board of county commissioners may fix, impose and collect:

(a) Any fees required pursuant to chapter 278 of NRS;

(b) A one-time flat fee for an application for the issuance of a business license for a marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns in an amount that does not exceed any similar fee imposed on a business pursuant to this chapter and chapter 369 of NRS; and

(c) A licensing tax for a business activity engaged in by a marijuana establishment or medical marijuana establishment located in the county outside of the limits of incorporated cities and towns for which registration pursuant to chapter 453A of NRS or licensing pursuant to chapter 453D of NRS is not required only if:

(1) The board of county commissioners is granted the authority to require such a license by some other provision of law; and

(2) The amount of the licensing tax does not exceed the amount imposed by the board of county commissioners on other similar businesses.

5. A board of county commissioners shall not enact or enforce any ordinance which is more restrictive than or conflicts with a law or regulation of this State relating to:

(a) The packaging, labeling, testing, dosage or potency of marijuana, edible marijuana products, marijuana products or marijuana-infused products;

(b) The kinds of marijuana, edible marijuana products, marijuana products and marijuana-infused products authorized to be sold pursuant to chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;

(c) The use of pesticides in the cultivation of marijuana;

(d) The tracking of marijuana from seed to sale;

(e) The transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products other than the direct transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products to a consumer and a requirement to notify the county of any transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products;

(f) The issuance or verification of a registry identification card, letter of approval or written documentation;

(g) The training or certification of medical marijuana establishment agents or employees of a marijuana establishment; ~~[or]~~

(h) The creation or maintenance of a registry or other system to obtain and track information relating to customers of marijuana establishments or holders of a registry identification card or letter of approval ~~[.]~~ *; or*

(i) The content of any advertisement used by a marijuana establishment or medical marijuana establishment unless the ordinance sets forth specific prohibited content for such an advertisement.

6. A person who obtains a business license described in this section is subject to all other licensing and permitting requirements of the State and any other counties and cities in which the person does business.

7. As used in this section:

(a) "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.

(b) "Letter of approval" has the meaning ascribed to it in NRS 453A.109.

(c) "Marijuana establishment" has the meaning ascribed to it in NRS 453D.030.

(d) "Marijuana products" has the meaning ascribed to it in NRS 453D.030.

(e) "Marijuana-infused products" has the meaning ascribed to it in NRS 453A.112.

(f) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.

(g) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.

(h) "Registry identification card" has the meaning ascribed to it in NRS 453A.140.

(i) "Written documentation" has the meaning ascribed to it in NRS 453A.170.

Sec. 12.7. NRS 268.0977 is hereby amended to read as follows:

268.0977 1. Except as otherwise provided in this section, the governing body of an incorporated city, whether organized under general law or special charter, shall not fix, impose or collect for revenues or for regulation, or both, a license tax on a marijuana establishment or medical marijuana establishment located within its corporate limits.

2. Except as otherwise provided in subsection 3, the governing body of an incorporated city, whether organized under general law or special charter, may fix, impose and collect for revenues or for regulation, or both, a license tax on a marijuana establishment or medical marijuana establishment located within its corporate limits as a:

(a) Flat fee;

(b) Percentage of the gross revenue of the marijuana establishment or medical marijuana establishment; or

(c) Combination of a flat fee and a percentage of gross revenue of the marijuana establishment or medical marijuana establishment.

3. The total amount of a license tax imposed on a marijuana establishment or medical marijuana establishment pursuant to subsection 2, regardless of whether the license tax is imposed in the form described in paragraph (a), (b) or (c) of subsection 2, must not exceed 3 percent of the gross revenue of the marijuana establishment or medical marijuana establishment, as applicable.

4. In addition to any amount of money collected as a license tax pursuant to subsection 2, the governing body of an incorporated city, whether organized under general law or special charter, may fix, impose and collect:

(a) Any fees required pursuant to chapter 278 of NRS;

(b) A one-time flat fee for an application for the issuance of a business license for a marijuana establishment or medical marijuana establishment located within its corporate limits in an amount that does not exceed any similar fee imposed on a business pursuant to this chapter and chapter 369 of NRS; and

(c) A licensing tax for a business activity engaged in by a marijuana establishment or medical marijuana establishment located within its corporate limits for which registration pursuant to chapter 453A of NRS or licensing pursuant to chapter 453D of NRS is not required only if:

(1) The governing body is granted the authority to require such a license by some other provision of law; and

(2) The amount of the licensing tax does not exceed the amount imposed by the governing body on other similar businesses.

5. The governing body of an incorporated city, whether organized under general law or special charter, shall not enact or enforce any ordinance which is more restrictive than or conflicts with a law or regulation of this State relating to:

(a) The packaging, labeling, testing, dosage or potency of marijuana, edible marijuana products, marijuana products or marijuana-infused products;

(b) The kinds of edible marijuana products, marijuana products and marijuana-infused products authorized to be sold pursuant to chapters 453A and 453D of NRS and any regulations adopted pursuant to chapter 453A of NRS;

(c) The use of pesticides in the cultivation of marijuana;

(d) The tracking of marijuana from seed to sale;

(e) The transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products other than the direct transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products to a consumer and a requirement to notify the city of any transportation of marijuana, edible marijuana products, marijuana products or marijuana-infused products;

(f) The issuance or verification of a registry identification card, letter of approval or written documentation;

(g) The training or certification of medical marijuana establishment agents or employees of a marijuana establishment; ~~[or]~~

(h) The creation or maintenance of a registry or other system to obtain and track information relating to customers of marijuana establishments or holders of a registry identification card or letter of approval ~~[.]~~ *; or*

(i) The content of any advertisement used by a marijuana establishment or medical marijuana establishment unless the ordinance sets forth specific prohibited content for such an advertisement.

6. A person who obtains a business license described in this section is subject to all other licensing and permitting requirements of the State and any other counties and cities in which the person does business.

7. As used in this section:

(a) "Edible marijuana products" has the meaning ascribed to it in NRS 453A.101.

(b) "Letter of approval" has the meaning ascribed to it in NRS 453A.109.

(c) "Marijuana establishment" has the meaning ascribed to it in NRS 453D.030.

(d) "Marijuana products" has the meaning ascribed to it in NRS 453D.030.

(e) "Marijuana-infused products" has the meaning ascribed to it in NRS 453A.112.

(f) "Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116.

(g) "Medical marijuana establishment agent" has the meaning ascribed to it in NRS 453A.117.

(h) "Registry identification card" has the meaning ascribed to it in NRS 453A.140.

(i) "Written documentation" has the meaning ascribed to it in NRS 453A.170.

Sec. 13. Any regulations adopted by the Department of Taxation that conflict with the amendatory provisions of this act are void. The Legislative Counsel shall remove those regulations from the Nevada Administrative Code as soon as practicable after January 2, 2020.

Sec. 14. 1. This section and sections 1, 3 and 13 of this act become effective on October 1, 2019.

2. Sections 2 and 4 to 12.7, inclusive, of this act become effective on January 2, 2020.

3. Sections 7 and 8 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 Ratti moved the adoption of the amendment.

Remarks by Senators Ratti and Hardy.

SENATOR RATTI:

Amendment No. 667 to Assembly Bill No. 164 retains the existing one-year period of validity for agent-registration cards for marijuana and medical-marijuana establishments, rather than lengthening the period to two years, and it clarifies that the term "motor vehicle used for public transportation" does not include a taxicab for provisions that prohibit advertising inside of such vehicles.

SENATOR HARDY:

Among other things, in section 12 of this bill, authorization is given for marijuana establishments to place and place advertisement "at such an event such as an entertainment event if it is reasonably estimated that less than 30 percent of the persons who will attend that entertainment event are less than 21 years of age." That means up to 30 percent could be less than 21 years old, so I am against this bill.

Conflict of interest declared by Senator Ohrenschall.

Amendment adopted.

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

Assembly Joint Resolution No. 8.

Resolution read second time and ordered to third reading.

Assembly Bill No. 469.

Bill read second time.

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

Amendment No. 694.

SUMMARY—Revises provisions governing billing for certain medically necessary emergency services. (BDR 40-704)

AN ACT relating to health care; limiting the amount a provider of health care may charge a person who has health insurance for certain medically necessary emergency services provided when the provider is out-of-network; requiring an insurer to arrange for the transfer of a person who has health insurance to an in-network facility under certain circumstances; prescribing procedures for determining the amount that an insurer is required to pay a provider of health care which is out-of-network for certain medically necessary emergency services provided to an insured; requiring the reporting of certain information related to that process; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a hospital is required to provide emergency services and care and to admit certain patients where appropriate, regardless of the financial status of the patient. (NRS 439B.410) Existing law also requires certain major hospitals to reduce total billed charges by at least 30 percent for hospital services provided to certain patients who have no insurance or other contractual provision for the payment of the charges by a third party, which is an insurer. (NRS 439B.260) Section 7 of this bill defines the term

"out-of-network provider" to mean, for a particular person covered by a policy of health insurance, a provider of health care or medical facility that has not entered into a contract with a third party for the provision of health care to persons who are covered by a policy of insurance issued by that third party. Section 11 of this bill exempts services provided to recipients of Medicaid from the provisions of this bill. Section 14 of this bill prohibits an out-of-network provider from collecting from a person covered by a policy of health insurance an amount for medically necessary emergency services that exceeds the copayment, coinsurance or deductible required by that policy. Section 14 also requires an out-of-network hospital or independent center for emergency medical care that provides medically necessary emergency services to a covered person to notify the third party that provides coverage for the person that: (1) the person is receiving such services at the facility; and (2) the person's emergency medical condition is stabilized not later than 24 hours after such stabilization occurs. Section 14 requires the third party to arrange for such a transfer to an in-network hospital or independent center for emergency medical care not later than 24 hours after receiving such notice.

If an out-of-network hospital or independent center for emergency medical care had a contract as an in-network hospital or independent center for emergency medical care with the third party that provides coverage for the covered person within the 24 months immediately preceding the provision of medically necessary emergency services to a covered person, section 15 of this bill requires the third party to pay, and the hospital or independent center for emergency medical care to accept, as compensation for those services an amount based on the amount that would have been paid for those services under the most recent contract between the third party and the hospital or independent center for emergency medical care. If an out-of-network hospital or independent center for emergency medical care did not have a contract as with the third party that provides coverage for the covered person as an in-network hospital or independent center for emergency medical care during that time, section 15 requires the third party to ~~[make an offer of]~~ pay to the provider an amount that the third party has determined to be fair and reasonable as payment ~~[in full to the provider]~~ for the medically necessary emergency services. Section 16 of this bill has similar provisions applicable to out-of-network providers, other than hospitals and independent centers for emergency medical care. Specifically, if an out-of-network provider had a contract as an in-network provider with the third party that provides coverage for the covered person within the 12 months immediately preceding the provision of medically necessary emergency services to a covered person that was not terminated by the third party for cause, section 16 of this bill requires the third party to pay, and the provider to accept, as compensation for those services an amount based on the amount that would have been paid for those services under the most recent contract between the third party and the provider. If an out-of-network provider did not have a contract with the third-party that provides coverage for the covered person as an in-network

provider during that time or if such a contract was terminated by the third party for cause, section 16 requires the third party to ~~[make an offer of]~~ pay to the provider an amount that the third party has determined to be fair and reasonable as payment ~~[in full to the provider]~~ for the medically necessary emergency services.

If the provider does not accept ~~[an offer]~~ a payment made pursuant to section-15 or 16 ~~[,]~~ as payment in full for the medically necessary emergency services, section 17 of this bill requires the out-of-network provider to ~~[make a counter-offer in]~~ request from the third party an additional amount which, when combined with the amount previously paid, the out-of-network provider is willing to accept as payment in full and, if not ~~[accepted,]~~ paid, the parties are required to submit the dispute to binding arbitration. Section 13 of this bill exempts a critical access hospital and a person covered by a policy of insurance sold outside this State from the provisions of this bill. Section 17 provides that interest does not accrue on a claim during the arbitration process, and sections 21-27 of this bill make conforming changes. Section 18 of this bill authorizes certain health insurers not included in this bill to opt in to the provisions of the bill. Section 19 of this bill provides for the annual reporting of certain information concerning arbitration conducted pursuant to section 17. Sections 17, 19 and 20 of this bill provide for the confidentiality of the decisions of arbitrators and documents associated with arbitration.

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 19, inclusive, of this act.

Sec. 2. *As used in sections 2 to 19, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 12, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Covered person" means a policyholder, subscriber, enrollee or other person covered by a third party.*

Sec. 4. *"Independent center for emergency medical care" has the meaning ascribed to it in NRS 449.013.*

Sec. 4.5. *"In-network emergency facility" means a hospital or independent center for emergency medical care that is an in-network provider.*

Sec. 5. *"In-network provider" means, for a particular covered person, a provider of health care that has entered into a provider contract with a third party for the provision of health care to the covered person.*

Sec. 6. *"Medically necessary emergency services" ~~[has the meaning ascribed to it in subsection 3 of NRS 695G.170.]~~ means health care services that are provided by a provider of health care to screen and to stabilize a covered person after the sudden onset of a medical condition that manifests itself by symptoms of such sufficient severity that a prudent person would believe that the absence of immediate medical attention could result in:*

1. Serious jeopardy to the health of the covered person;

2. Serious jeopardy to the health of an unborn child of the covered person;

3. Serious impairment of a bodily function of the covered person; or

4. Serious dysfunction of any bodily organ or part of the covered person.

Sec. 6.5. *"Out-of-network emergency facility" means a hospital or independent center for emergency medical care that is an out-of-network provider.*

Sec. 7. *"Out-of-network provider" means, for a particular covered person, a provider of health care that has not entered into a provider contract with a third party for the provision of health care to the covered person.*

Sec. 7.5. *"Provider contract" means a contract between a third party and ~~[a]~~ an in-network provider ~~[of health care]~~ to provide health care services to a covered person. ~~[The term does not include an agreement that provides for a discount based on timing of payment.]~~*

Sec. 8. *"Provider of health care" has the meaning ascribed to it in NRS 695G.070.*

Sec. 8.5. "Prudent person" means a person who:

1. Is not a provider of health care;

2. Possesses an average knowledge of health and medicine; and

3. Is acting reasonably under the circumstances.

Sec. 9. (Deleted by amendment.)

Sec. 10. *"Screen" means to conduct the medical screening examination required to be provided to a patient in the emergency department of a hospital pursuant to 42 U.S.C. § 1395dd.*

Sec. 11. *1. "Third party" includes, without limitation:*

(a) The issuer of a health benefit plan, as defined in NRS 695G.019, which provides coverage for medically necessary emergency services;

(b) The Public Employees' Benefits Program established pursuant to subsection 1 of NRS 287.043; and

(c) Any other entity or organization that elects pursuant to section 18 of this act for the provisions of sections 2 to 19, inclusive, of this act to apply to the provision of medically necessary emergency services by out-of-network providers to covered persons.

2. The term does not include the State Plan for Medicaid, the Children's Health Insurance Program or a health maintenance organization, as defined in NRS 695C.030, or managed care organization, as defined in NRS 695G.050, when providing 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.

Sec. 12. *"To stabilize" and "stabilized" have the meanings ascribed to them in 42 U.S.C. § 1395dd(e)(3).*

Sec. 13. *The provisions of sections 14 and 15 of this act do not apply to:*

1. A hospital which has been certified as a critical access hospital by the Secretary of Health and Human Services pursuant to 42 U.S.C. § 1395i-4(e) or any medically necessary emergency services provided at such a hospital;

2. A person who is covered by a policy of health insurance that was sold outside this State; or

3. Any health care services provided more than 24 hours after notification is provided pursuant to section 14 of this act that a person has been stabilized.

Sec. 14. *1. An out-of-network provider shall not collect from a covered person for medically necessary emergency services, and a covered person is not responsible for paying, an amount that exceeds the copayment, coinsurance or deductible required for such services provided by an in-network provider by the coverage for that person.*

2. An out-of-network emergency facility that provides medically necessary emergency services to a covered person shall:

(a) When possible, notify the third party that provides coverage for the covered person not later than 8 hours after the covered person presents at the out-of-network emergency facility to receive medically necessary emergency services; and

(b) Notify the third party that the condition of the covered person has stabilized to such a degree that the person may be transferred to an in-network emergency facility not later than 24 hours after the person's emergency medical condition is stabilized. Not later than 24 hours after the third party receives such notice, the third party shall arrange for the transfer of the person to such a facility.

Sec. 15. *1. If an out-of-network emergency facility had a provider contract as an in-network emergency facility within the 24 months immediately preceding the date on which the medically necessary emergency services were rendered to a covered person, the third party that provides coverage for the covered person shall pay to the out-of-network emergency facility for those services, and the out-of-network emergency facility shall accept as payment in full for those services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network emergency facility:*

(a) If the out-of-network emergency facility was an in-network emergency facility within the 12 months immediately preceding the provision of medically necessary emergency services, 108 percent of the amount that would have been paid for those services pursuant to the most recent applicable provider contract between the third party and the out-of-network emergency facility, less the amount of the copayment, coinsurance or deductible, if applicable.

(b) If the out-of-network emergency facility was an in-network emergency facility within the 24 months immediately preceding the provision of medically necessary emergency services, but not within the 12 months immediately preceding the provision of those services, 115 percent of the amount that would have been paid for those services pursuant to the most recent applicable provider contract between the third party and the out-of-network emergency facility, less the amount of the copayment, coinsurance or deductible, if applicable.

2. If an out-of-network emergency facility did not have a provider contract as an in-network emergency facility within the 24 months immediately preceding the date on which the medically necessary emergency services were rendered to a covered person, the third party that provides coverage to the covered person shall ~~[submit]~~ pay to the out-of-network emergency facility an ~~[offer of]~~ amount that the third party has determined to be fair and reasonable as payment ~~[in full]~~ for the medically necessary emergency services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network emergency facility.

Sec. 16. *1. If an out-of-network provider, other than an out-of-network emergency facility, had a provider contract as an in-network provider within the 12 months immediately preceding the date on which the medically necessary emergency services were rendered to a covered person and:*

(a) The out-of-network provider terminated the most recent applicable provider contract between the third party that provides coverage for the covered person and the out-of-network provider without cause before it was scheduled to expire, the third party shall pay to the out-of-network provider for those services, and the out-of-network provider shall accept as payment in full for those services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network provider, the amount that would have been paid for those services pursuant to that provider contract, less the amount of the copayment, coinsurance or deductible, if applicable.

(b) The out-of-network provider terminated the most recent applicable provider contract between the third party that provides coverage for the covered person and the out-of-network provider for cause before it was scheduled to expire or the third party terminated the contract without cause, the third party shall pay to the out-of-network provider for those services, and the out-of-network provider shall accept as payment in full for those services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network provider, 108 percent of the amount that would have been paid for those services pursuant to the provider contract, less the amount of the copayment, coinsurance or deductible, if applicable.

(c) The third party that provides coverage for the covered person terminated the most recent applicable provider contract between the third-party and the out-of-network provider for cause before it was scheduled to expire, the third party shall ~~[submit]~~ pay to the out-of-network provider an ~~[offer of]~~ amount that the third party has determined to be fair and reasonable as payment ~~[in full]~~ for the medically necessary emergency services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network provider.

(d) The contract was not terminated by either party, the third party that provides coverage for the covered person shall pay to the out-of-network provider for those services, and the out-of-network provider shall accept as payment in full for those services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network provider, the amount that would have been paid for those services pursuant to the most recent applicable provider contract between the third party and the out-of-network provider plus an amount equal to the percentage of increase in the Consumer Price Index, Medical Care Component, during the immediately preceding calendar year, less the amount of the copayment, coinsurance or deductible, if applicable.

2. If an out-of-network provider, other than an out-of-network emergency facility, did not have a provider contract as an in-network provider within the 12 months immediately preceding the date on which the medically necessary emergency services were rendered to a covered person, the third party that provides coverage to the covered person shall submit to the out-of-network provider an offer of payment in full for the medically necessary emergency services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network provider.

Sec. 17. *1. An out-of-network provider shall accept or reject an ~~[offer of payment made]~~ amount paid pursuant to subsection 2 of section 15 of this act or paragraph (c) of subsection 1 or subsection 2 of section 16 of this act as payment in full for the medically necessary emergency services for which the payment was offered within 30 days after receiving the ~~[offer. If the offer is accepted, the third party must pay the claim within 30 days after the acceptance.]~~ payment. If an out-of-network provider fails to comply with the requirements of this section, the ~~[offer]~~ amount paid shall be deemed accepted as payment in full for the medically necessary emergency services for which the payment was offered 30 days after the out-of-network provider received the ~~[offer.]~~ payment.*

2. If an out-of-network provider rejects the ~~[offer of payment,]~~ amount paid as payment in full, the out-of-network provider must ~~[make a counter-offer in]~~ request from the third party an additional amount which , when combined with the amount previously paid, the out-of-network provider is willing to accept as payment in full for the medically necessary emergency services . ~~[, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network provider.]~~

3. If the third party ~~[rejects the counter-offer submitted]~~ refuses to pay the additional amount requested by the out-of-network provider pursuant to subsection 2 or fails to ~~[accept such a counter-offer]~~ pay that amount within 30 days after receiving the ~~[counter-offer,]~~ request for the additional amount, the out-of-network provider must request a list of five randomly selected

arbitrators from an entity authorized by regulations of the Director of the Department to provide such arbitrators. Such regulations must require:

(a) For claims of less than $5,000 , ~~[in value,]~~ the use of arbitrators who will conduct the arbitration in an economically efficient manner. Such arbitrators may include, without limitation, qualified employees of the State and arbitrators from the voluntary program for the use of binding arbitration established in the judicial district pursuant to NRS 38.255 or, if no such program has been established in the judicial district, from the program established in the nearest judicial district that has established such a program.

(b) For claims of $5,000 or more , ~~[in value,]~~ the use of arbitrators from nationally recognized providers of arbitration services, which may include, without limitation, the American Arbitration Association, JAMS or their successor organizations.

4. Upon receiving the list of randomly selected arbitrators pursuant to subsection 3, the out-of-network provider and the third party shall each strike two arbitrators from the list. If one arbitrator remains, that arbitrator must arbitrate the dispute concerning the amount to be paid for the medically necessary emergency services. If more than one arbitrator remains, an arbitrator randomly selected from the remaining arbitrators by the entity that provided the list of arbitrators pursuant to subsection 3 must arbitrate that dispute.

5. The out-of-network provider and the third party shall participate in binding arbitration of the dispute concerning the amount to be paid for the medically necessary emergency services conducted by the arbitrator selected pursuant to subsection 4. The out-of-network provider or third party may provide the arbitrator with any relevant information to assist the arbitrator in making a determination.

6. The arbitrator shall require ~~[the third party to pay the out-of-network provider, and the]~~ :

(a) The out-of-network provider to accept as payment in full for the provision of the medically necessary emergency services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided by an in-network provider ~~[:~~

~~(a) The]~~ , the amount ~~[offered]~~ paid by the third party pursuant to subsection 2 of section 15 of this act or paragraph (c) of subsection 1 or subsection 2 of section 16 of this act, as applicable; or

(b) The third party to pay the additional amount ~~[counter-offered]~~ requested by the out-of-network provider pursuant to subsection 2.

7. If the arbitrator requires:

(a) The out-of-network provider to accept the ~~[offer made]~~ amount paid by the third party pursuant to subsection 2 of section 15 of this act or paragraph (c) of subsection 1 or subsection 2 of section 16 of this act, as applicable, as payment in full for the provision of the medically necessary emergency services, except for any copayment, coinsurance or deductible that the coverage requires the covered person to pay for the services when provided

by an in-network provider, the out-of-network provider must pay the costs of the arbitrator.

(b) The third party to pay the additional amount ~~[counter-offered]~~ requested by the out-of-network provider pursuant to subsection 2, the third party must pay the costs of the arbitrator.

8. An out-of-network provider or a third party must pay ~~[any]~~ its own attorney's fees incurred ~~[by the out-of-network provider or third party, as applicable,]~~ during the process prescribed by this section.

9. Interest does not accrue on any claim for which an offer of payment is rejected pursuant to subsection 1 for the period beginning on the date of the rejection and ending 30 days after the arbitrator renders a decision.

10. Except as otherwise provided in this subsection and section 19 of this act, any decision of an arbitrator pursuant to this section and any documents associated with such a decision are confidential and are not admissible as evidence during a legal proceeding, including, without limitation, a legal proceeding between the third party and the out-of-network provider. The decision of an arbitrator and any documents associated with such a decision may be disclosed and are admissible as evidence during a legal proceeding to enforce the decision.

Sec. 18. *Any entity or organization, not otherwise subject to the provisions of sections 2 to 19, inclusive, of this act, that provides coverage for emergency medical services , including, without limitation, a participating public agency, as defined in NRS 287.04052, and any other local governmental agency which provides a system of health insurance for the benefit of its officers and employees, and the dependents of such officers and employees, pursuant to chapter 287 of NRS, may elect for the provisions of sections 2 to 19, inclusive, of this act to apply to the provision of medically necessary emergency services by out-of-network providers to covered persons. The Director of the Department of Health and Human Services shall:*

1. Publish on an Internet website maintained by the Department a list of third parties that have made such an election; and

2. Adopt regulations governing such an election, which may include, without limitation, regulations that establish the procedure by which a third party may make such an election.

Sec. 19. *1. On or before December 31 of each year, an arbitrator who arbitrated a matter pursuant to section 17 of this act during the immediately preceding 12 months shall report to the Department of Health and Human Services in the form prescribed by the Department:*

(a) The number of cases arbitrated by the arbitrator;

(b) The types of providers of health care and third parties involved in those cases;

(c) The prevailing party in each such arbitration;

(d) Information concerning the geographic location of the provider of health care that provided medically necessary emergency services; and

(e) Any other information requested by the Department.

2. A provider of health care or third party ~~[shall]~~ :

(a) Shall provide to the Department any information requested by the Department to complete the report required by subsection 3 ~~[.]~~ ; and

(b) May provide to the Department any other information relevant to that report.

3. On or before January 31 of each year, the Department shall:

(a) Compile a report which ~~[must include, without limitation:]~~ consists of:

(1) Aggregated information provided to the Department pursuant to subsections 1 and 2, presented in a manner that does not reveal the identity of any provider of health care, third party or patient;

(2) An analysis of any identifiable trends in the information described in subparagraph (1); and

(3) An analysis of the impact of actions taken pursuant to sections 2 to 19, inclusive, of this act on provider contracts and the provision of health care in this State;

(b) Post the report on an Internet website maintained by the Department; and

(c) Submit the report to the Director of the Legislative Counsel Bureau for transmittal to:

(1) In even-numbered years, the Legislative Committee on Health Care; and

(2) In odd-numbered years, the next regular session of the Legislature.

4. Any information disclosed to the Department pursuant to this section is confidential.

Sec. 20. 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 17 and 19 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. 21. NRS 683A.0879 is hereby amended to read as follows:

683A.0879 1. Except as otherwise provided in subsection 2 ~~[,]~~ *and section 17 of this act*, an administrator shall approve or deny a claim relating to health insurance coverage within 30 days after the administrator receives the claim. If the claim is approved, the administrator shall pay the claim within 30 days after it is approved. Except as otherwise provided in this section, if the approved claim is not paid within that period, the administrator shall pay interest on the claim at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the payment was due, plus 6 percent. The interest must be calculated from 30 days after the date on which the claim is approved until the date on which the claim is paid.

2. If the administrator requires additional information to determine whether to approve or deny the claim, the administrator shall notify the

claimant of the administrator's request for the additional information within 20 days after receiving the claim. The administrator shall notify the provider of health care of all the specific reasons for the delay in approving or denying the claim. The administrator shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the administrator shall pay the claim within 30 days after receiving the additional information. If the approved claim is not paid within that period, the administrator shall pay interest on the claim in the manner prescribed in subsection 1.

3. An administrator shall not request a claimant to resubmit information that the claimant has already provided to the administrator, unless the administrator provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. An administrator shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

6. The payment of interest provided for in this section for the late payment of an approved claim may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the administrator.

7. The Commissioner may require an administrator to provide evidence which demonstrates that the administrator has substantially complied with the requirements set forth in this section, including, without limitation, payment within 30 days of at least 95 percent of approved claims or at least 90 percent of the total dollar amount for approved claims.

8. If the Commissioner determines that an administrator is not in substantial compliance with the requirements set forth in this section, the Commissioner may require the administrator to pay an administrative fine in an amount to be determined by the Commissioner. Upon a second or subsequent determination that an administrator is not in substantial compliance with the requirements set forth in this section, the Commissioner may suspend or revoke the certificate of registration of the administrator.

Sec. 22. NRS 689A.410 is hereby amended to read as follows:

689A.410 1. Except as otherwise provided in subsection 2 ~~[,]~~ *and section 17 of this act*, an insurer shall approve or deny a claim relating to a policy of health insurance within 30 days after the insurer receives the claim. If the claim is approved, the insurer shall pay the claim within 30 days after it is approved. Except as otherwise provided in this section, if the approved claim is not paid within that period, the insurer shall pay interest on the claim at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the payment was due, plus 6 percent. The interest must be calculated from 30 days

after the date on which the claim is approved until the date on which the claim is paid.

2. If the insurer requires additional information to determine whether to approve or deny the claim, it shall notify the claimant of its request for the additional information within 20 days after it receives the claim. The insurer shall notify the provider of health care of all the specific reasons for the delay in approving or denying the claim. The insurer shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the insurer shall pay the claim within 30 days after it receives the additional information. If the approved claim is not paid within that period, the insurer shall pay interest on the claim in the manner prescribed in subsection 1.

3. An insurer shall not request a claimant to resubmit information that the claimant has already provided to the insurer, unless the insurer provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. An insurer shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

6. The payment of interest provided for in this section for the late payment of an approved claim may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the insurer.

7. The Commissioner may require an insurer to provide evidence which demonstrates that the insurer has substantially complied with the requirements set forth in this section, including, without limitation, payment within 30 days of at least 95 percent of approved claims or at least 90 percent of the total dollar amount for approved claims.

8. If the Commissioner determines that an insurer is not in substantial compliance with the requirements set forth in this section, the Commissioner may require the insurer to pay an administrative fine in an amount to be determined by the Commissioner. Upon a second or subsequent determination that an insurer is not in substantial compliance with the requirements set forth in this section, the Commissioner may suspend or revoke the certificate of authority of the insurer.

Sec. 23. NRS 689B.255 is hereby amended to read as follows:

689B.255 1. Except as otherwise provided in subsection 2 ~~[,]~~ *and section 17 of this act*, an insurer shall approve or deny a claim relating to a policy of group health insurance or blanket insurance within 30 days after the insurer receives the claim. If the claim is approved, the insurer shall pay the claim within 30 days after it is approved. Except as otherwise provided in this section, if the approved claim is not paid within that period, the insurer shall pay interest on the claim at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the payment was due, plus 6 percent. The interest must be

calculated from 30 days after the date on which the claim is approved until the date on which the claim is paid.

2. If the insurer requires additional information to determine whether to approve or deny the claim, it shall notify the claimant of its request for the additional information within 20 days after it receives the claim. The insurer shall notify the provider of health care of all the specific reasons for the delay in approving or denying the claim. The insurer shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the insurer shall pay the claim within 30 days after it receives the additional information. If the approved claim is not paid within that period, the insurer shall pay interest on the claim in the manner prescribed in subsection 1.

3. An insurer shall not request a claimant to resubmit information that the claimant has already provided to the insurer, unless the insurer provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. An insurer shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

6. The payment of interest provided for in this section for the late payment of an approved claim may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the insurer.

7. The Commissioner may require an insurer to provide evidence which demonstrates that the insurer has substantially complied with the requirements set forth in this section, including, without limitation, payment within 30 days of at least 95 percent of approved claims or at least 90 percent of the total dollar amount for approved claims.

8. If the Commissioner determines that an insurer is not in substantial compliance with the requirements set forth in this section, the Commissioner may require the insurer to pay an administrative fine in an amount to be determined by the Commissioner. Upon a second or subsequent determination that an insurer is not in substantial compliance with the requirements set forth in this section, the Commissioner may suspend or revoke the certificate of authority of the insurer.

Sec. 24. NRS 689C.485 is hereby amended to read as follows:

689C.485 1. Except as otherwise provided in subsection 2 ~~[,]~~ *and section 17 of this act*, a carrier serving small employers and a carrier that offers a contract to a voluntary purchasing group shall approve or deny a claim relating to a policy of health insurance within 30 days after the carrier receives the claim. If the claim is approved, the carrier shall pay the claim within 30 days after it is approved. Except as otherwise provided in this section, if the approved claim is not paid within that period, the carrier shall pay interest on the claim at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on

which the payment was due, plus 6 percent. The interest must be calculated from 30 days after the date on which the claim is approved until the date on which the claim is paid.

2. If the carrier requires additional information to determine whether to approve or deny the claim, it shall notify the claimant of its request for the additional information within 20 days after it receives the claim. The carrier shall notify the provider of health care of all the specific reasons for the delay in approving or denying the claim. The carrier shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the carrier shall pay the claim within 30 days after it receives the additional information. If the approved claim is not paid within that period, the carrier shall pay interest on the claim in the manner prescribed in subsection 1.

3. A carrier shall not request a claimant to resubmit information that the claimant has already provided to the carrier, unless the carrier provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. A carrier shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

6. The payment of interest provided for in this section for the late payment of an approved claim may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the carrier.

7. The Commissioner may require a carrier to provide evidence which demonstrates that the carrier has substantially complied with the requirements set forth in this section, including, without limitation, payment within 30 days of at least 95 percent of approved claims or at least 90 percent of the total dollar amount for approved claims.

8. If the Commissioner determines that a carrier is not in substantial compliance with the requirements set forth in this section, the Commissioner may require the carrier to pay an administrative fine in an amount to be determined by the Commissioner. Upon a second or subsequent determination that a carrier is not in substantial compliance with the requirements set forth in this section, the Commissioner may suspend or revoke the certificate of authority of the carrier.

Sec. 25. NRS 695A.188 is hereby amended to read as follows:

695A.188 1. Except as otherwise provided in subsection 2 ~~[.]~~ *and section 17 of this act,* a society shall approve or deny a claim relating to a certificate of health insurance within 30 days after the society receives the claim. If the claim is approved, the society shall pay the claim within 30 days after it is approved. If the approved claim is not paid within that period, the society shall pay interest on the claim at the rate of interest established pursuant to NRS 99.040 unless a different rate of interest is established pursuant to an express written contract between the society and the provider of health care.

The interest must be calculated from 30 days after the date on which the claim is approved until the claim is paid.

2. If the society requires additional information to determine whether to approve or deny the claim, it shall notify the claimant of its request for the additional information within 20 days after it receives the claim. The society shall notify the provider of health care of all the specific reasons for the delay in approving or denying the claim. The society shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the society shall pay the claim within 30 days after it receives the additional information. If the approved claim is not paid within that period, the society shall pay interest on the claim in the manner prescribed in subsection 1.

3. A society shall not request a claimant to resubmit information that the claimant has already provided to the society, unless the society provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. A society shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

Sec. 26. NRS 695B.2505 is hereby amended to read as follows:

695B.2505 1. Except as otherwise provided in subsection 2 ~~[,]~~ *and section 17 of this act*, a corporation subject to the provisions of this chapter shall approve or deny a claim relating to a contract for dental, hospital or medical services within 30 days after the corporation receives the claim. If the claim is approved, the corporation shall pay the claim within 30 days after it is approved. Except as otherwise provided in this section, if the approved claim is not paid within that period, the corporation shall pay interest on the claim at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the payment was due, plus 6 percent. The interest must be calculated from 30 days after the date on which the claim is approved until the date on which the claim is paid.

2. If the corporation requires additional information to determine whether to approve or deny the claim, it shall notify the claimant of its request for the additional information within 20 days after it receives the claim. The corporation shall notify the provider of dental, hospital or medical services of all the specific reasons for the delay in approving or denying the claim. The corporation shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the corporation shall pay the claim within 30 days after it receives the additional information. If the approved claim is not paid within that period, the corporation shall pay interest on the claim in the manner prescribed in subsection 1.

3. A corporation shall not request a claimant to resubmit information that the claimant has already provided to the corporation, unless the corporation

provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. A corporation shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

6. The payment of interest provided for in this section for the late payment of an approved claim may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the corporation.

7. The Commissioner may require a corporation to provide evidence which demonstrates that the corporation has substantially complied with the requirements set forth in this section, including, without limitation, payment within 30 days of at least 95 percent of approved claims or at least 90 percent of the total dollar amount for approved claims.

8. If the Commissioner determines that a corporation is not in substantial compliance with the requirements set forth in this section, the Commissioner may require the corporation to pay an administrative fine in an amount to be determined by the Commissioner. Upon a second or subsequent determination that a corporation is not in substantial compliance with the requirements set forth in this section, the Commissioner may suspend or revoke the certificate of authority of the corporation.

Sec. 27. NRS 695C.185 is hereby amended to read as follows:

695C.185 1. Except as otherwise provided in subsection 2 ~~[,]~~ *and section 17 of this act,* a health maintenance organization shall approve or deny a claim relating to a health care plan within 30 days after the health maintenance organization receives the claim. If the claim is approved, the health maintenance organization shall pay the claim within 30 days after it is approved. Except as otherwise provided in this section, if the approved claim is not paid within that period, the health maintenance organization shall pay interest on the claim at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the payment was due, plus 6 percent. The interest must be calculated from 30 days after the date on which the claim is approved until the date on which the claim is paid.

2. If the health maintenance organization requires additional information to determine whether to approve or deny the claim, it shall notify the claimant of its request for the additional information within 20 days after it receives the claim. The health maintenance organization shall notify the provider of health care services of all the specific reasons for the delay in approving or denying the claim. The health maintenance organization shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the health maintenance organization shall pay the claim within 30 days after it receives the additional information. If the approved claim is

not paid within that period, the health maintenance organization shall pay interest on the claim in the manner prescribed in subsection 1.

3. A health maintenance organization shall not request a claimant to resubmit information that the claimant has already provided to the health maintenance organization, unless the health maintenance organization provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.

4. A health maintenance organization shall not pay only part of a claim that has been approved and is fully payable.

5. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this section.

6. The payment of interest provided for in this section for the late payment of an approved claim may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the health maintenance organization.

7. The Commissioner may require a health maintenance organization to provide evidence which demonstrates that the health maintenance organization has substantially complied with the requirements set forth in this section, including, without limitation, payment within 30 days of at least 95 percent of approved claims or at least 90 percent of the total dollar amount for approved claims.

8. If the Commissioner determines that a health maintenance organization is not in substantial compliance with the requirements set forth in this section, the Commissioner may require the health maintenance organization to pay an administrative fine in an amount to be determined by the Commissioner. Upon a second or subsequent determination that a health maintenance organization is not in substantial compliance with the requirements set forth in this section, the Commissioner may suspend or revoke the certificate of authority of the health maintenance organization.

Sec. 28. 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. 29. 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.

Senator Ratti moved the adoption of the amendment.

Remarks by Senator Ratti.

Amendment No. 694 to Assembly Bill No. 469 revises the definition of "medically necessary emergency services" to refer to certain services provided for a medical condition that a prudent person would believe may result in serious jeopardy to health, impairment of a bodily function or dysfunction of any bodily organ or part without immediate medical attention. It requires a third party to pay to a provider an amount that the third party determines to be fair and reasonable as payment in full, and if the provider does not accept such a payment as payment in full, the

out-of-network provider must request from the third party an additional amount which, when combined with the amount previously paid, the provider is willing to accept as payment in full.

Amendment adopted.

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

GENERAL FILE AND THIRD READING

Assembly Bill No. 457.

Bill read third time.

The following amendment was proposed by Senators Spearman and Parks:

Amendment No. 692.

SUMMARY—Revises provisions governing chiropractic physicians and chiropractor's assistants. (BDR 54-933)

AN ACT relating to chiropractic; providing for the performance of dry needling by a chiropractor; revising provisions relating to membership of the Chiropractic Physicians' Board of Nevada; revising provisions governing the application for a license to practice chiropractic; revising the time period in which a qualified applicant for a license to practice chiropractic may practice while waiting to take the Board's examination; revising provisions relating to temporary licenses to practice chiropractic; authorizing the Board to adopt certain regulations concerning the renewal of certain licenses and certificates; revising provisions relating to reinstating a license to practice chiropractic; revising provisions governing disciplinary action by the Board; repealing the definition of gross malpractice; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Chiropractic Physicians' Board of Nevada, consisting of seven members, and prohibits three or more persons who are resident graduates of the same school or college of chiropractic from serving on the Board at the same time. (NRS 634.020) Section 1.5 of this bill removes this prohibition.

Existing law requires an applicant for a license to practice chiropractic, not less than 60 days before the date of the licensing examination, to: (1) file an application for examination with the Secretary of the Board; (2) submit certain evidence relating to his or her qualifications for licensure; and (3) pay the examination application fee. (NRS 634.080, 634.090, 634.100) Sections 2-4 of this bill eliminate the requirement for such actions to be completed 60 days in advance.

Section 2 of this bill additionally authorizes an applicant to take the licensing examination any time after the Executive Director of the Board determines that his or her application is complete. Section 3 of this bill additionally requires an applicant to submit evidence that the applicant has successfully: (1) completed certain parts of the examination administered by the National Board of Chiropractic Examiners; or (2) completed certain exit examinations from certain colleges of chiropractic.

Existing law authorizes an applicant for a license to practice chiropractic who has certain qualifications to perform chiropractic under the direct supervision of a chiropractor while the applicant is waiting to take the Board's examination. Existing law prohibits an applicant from practicing in such a manner for longer than 2 years. (NRS 634.105) Section 5 of this bill prohibits an applicant from practicing in such a manner for longer than 90 days.

Existing law requires an applicant for a temporary license to practice chiropractic to file an application for a temporary license with the Secretary of the Board. (NRS 634.115) Section 5.5 of this bill requires an applicant to file such an application with the Executive Director of the Board.

Existing law requires a license to practice chiropractic or a certificate as a chiropractor's assistant to be renewed biennially. Existing law requires a chiropractor and a chiropractor's assistant to submit satisfactory proof to the Board that he or she attended a certain number of hours of continuing education. (NRS 634.130) Section 6 of this bill authorizes the Board to adopt regulations that provide for random audits of chiropractors and chiropractor's assistants to ensure compliance with these continuing education requirements. Existing law authorizes the Board to waive the renewal fee for a chiropractor or a chiropractor's assistant if the chiropractor or chiropractor's assistant was in active military service at the time the renewal fee was due. (NRS 634.130) Section 6 authorizes the Board to adopt regulations that provide for the prorating or waiving of a renewal fee if such prorating or waiving is based on the date on which: (1) the license to practice chiropractic or certificate to practice as a chiropractor's assistant was issued by the Board; and (2) such a license or certificate must be renewed.

Existing law authorizes a person who held a license that has expired to apply to the Board to have the license reinstated to active status. Existing law requires such an applicant for reinstatement of his or her license to score 75 percent or higher on an examination prescribed by the Board on the provisions relating to the practice of chiropractic. (NRS 634.131) Section 7 requires such an applicant to score: (1) for certain written, closed-book examinations, 75 percent or higher; or (2) for certain written, open-book examinations or online examinations, 90 percent or higher.

Existing law prescribes the grounds for initiating disciplinary action, including conviction of a felony relating to the practice of chiropractic. (NRS 634.140) Section 8 of this bill revises the grounds by including conviction for any crime and adding incompetence or negligence in the practice of chiropractic as a ground for disciplinary action.

Existing law provides that a person charged with a ground for disciplinary action is entitled to a hearing before the Board. Existing law further provides that if the Board finds the person guilty as charged in a complaint, the Board may order specified disciplinary actions. (NRS 634.190) Section 9 of this bill revises provisions governing the Board's finding to whether the person committed one or more of the charges made in the complaint. Section 9 also provides that the Board's order of disciplinary action may contain such terms,

provisions or conditions as the Board deems proper to remedy or address the facts and circumstances of the case.

Existing law provides immunity from civil action for the Board or any person or other organization which initiates or assists in any lawful investigation or proceeding concerning the discipline of a chiropractor for gross malpractice, repeated malpractice or unprofessional conduct. (NRS 634.216) Section 10 of this bill extends this immunity from civil action to the initiation or assistance in any lawful investigation or disciplinary proceeding rather than only to investigations or disciplinary proceedings related to gross malpractice, repeated malpractice or unprofessional conduct. Section 10 further amends this provision to remove: (1) gross malpractice, the definition of which is repealed by section 11 of this bill; and (2) repeated malpractice, which is no longer specified as an independent ground for disciplinary action.

Existing law prohibits a chiropractor from piercing or severing any body tissue, except to draw blood for diagnostic purposes. (NRS 634.225) Section 10.5 of this bill adds an exception to this prohibition for the performance of dry needling by a chiropractor who is authorized to do so by regulations adopted by the Board. Section 1 of this bill requires the Board to adopt regulations regarding the qualifications a chiropractor must obtain before he or she is authorized to perform dry needling, which qualifications must include ~~[not less than 150 hours]~~ the successful completion of didactic education and training in dry needling.

Section 10.5 also prohibits a chiropractor from offering to engage in, advertising, soliciting or otherwise claiming to be able to perform acupuncture unless he or she is licensed to practice Oriental medicine. However, under section 10.5, a chiropractor who is qualified to perform dry needling pursuant to the regulations adopted by the Board is authorized to offer to engage in, advertise, solicit or otherwise claim to be able to perform dry needling.

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

Section 1. Chapter 634 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Board shall adopt regulations establishing the qualifications a chiropractor must obtain before he or she is authorized to perform dry needling. The qualifications adopted by regulation pursuant to this section must include, without limitation, the successful completion of ~~[not less than 150 hours of]~~ didactic education and training in dry needling.

2. As used in this section, "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.

Sec. 1.5. NRS 634.020 is hereby amended to read as follows:

634.020 1. The Chiropractic Physicians' Board of Nevada, consisting of seven members appointed by the Governor, is hereby created.

2. The Governor shall appoint:

(a) Four members who are:

(1) Graduates of chiropractic schools or colleges giving a course of study embracing the following subjects: Anatomy, bacteriology, chiropractic theory and practice, diagnosis or analysis, elementary chemistry and toxicology, histology, hygiene and sanitation, obstetrics and gynecology, pathology, physiology and symptomatology;

(2) Licensed under this chapter; and

(3) Actually engaged in the practice of chiropractic in this State and who have been so engaged in this State for at least 3 years preceding their appointment.

(b) One member who represents the interests of persons or agencies that regularly provide health care to patients who are indigent, uninsured or unable to afford health care. This member may be licensed under the provisions of this chapter.

(c) Two members who are representatives of the general public. A member appointed pursuant to this paragraph must not be:

(1) A chiropractor or a chiropractor's assistant; or

(2) The spouse or the parent or child, by blood, marriage or adoption, of a chiropractor or a chiropractor's assistant.

3. At least two of the appointees must have had a course in physiotherapy in a school or college of chiropractic. ~~[Not more than two persons who are resident graduates of the same school or college of chiropractic may serve simultaneously as members of the Board.]~~

Sec. 2. NRS 634.080 is hereby amended to read as follows:

634.080 1. An applicant for examination must file an application ~~[not less than 60 days before the date of the examination.~~

~~2. An application must be filed]~~ with the Secretary of the Board on a form to be furnished by the ~~[Secretary.]~~ *Executive Director of the Board. An applicant may take the examination any time after the Executive Director determines that his or her application is complete.*

~~[3.]~~ *2.* An application must be verified and must state:

(a) When and where the applicant was born, the various places of the applicant's residence during the 5 years immediately preceding the making of the application and the address to which he or she wishes the Board to mail the license.

(b) The name, age and sex of the applicant.

(c) The names and post office addresses of all persons by whom the applicant has been employed for a period of 5 years immediately preceding the making of the application.

(d) Whether or not the applicant has ever applied for a license to practice chiropractic in any other state and, if so, when and where and the results of the application.

(e) Whether the applicant is a citizen of the United States or lawfully entitled to remain and work in the United States.

(f) Whether or not the applicant has ever been admitted to the practice of chiropractic in any other state and, if so, whether any discharge, dismissal, disciplinary or other similar proceedings have ever been instituted against the applicant. Such an applicant must also attach a certificate from the chiropractic board of each state in which the applicant was licensed, certifying that the applicant is a member in good standing of the chiropractic profession in that state, and that no proceedings affecting the applicant's standing as a chiropractor are undisposed of and pending.

(g) The applicant's general and chiropractic education, including the schools attended and the time of attendance at each school, and whether the applicant is a graduate of any school or schools.

(h) The names of:

(1) Two persons who have known the applicant for at least 3 years; and

(2) A person who is a chiropractor licensed pursuant to the provisions of this chapter or a professor at a school of chiropractic.

(i) All other information required to complete the application.

~~[4.]~~ *3.* An application must include a copy of the applicant's official transcript from the school or college of chiropractic from which the applicant received his or her degree of doctor of chiropractic, which must be transmitted by the school or college of chiropractic directly to the Board.

Sec. 3. NRS 634.090 is hereby amended to read as follows:

634.090 1. An applicant must, in addition to the requirements of NRS 634.070 and 634.080, furnish satisfactory evidence to the Board:

(a) That the applicant is of good moral character;

(b) Except as otherwise provided in subsections 2 and 5, ~~[not less than 60 days before the date of the examination,]~~ that the applicant has a high school education and is a graduate from a college of chiropractic which is accredited by the Council on Chiropractic Education or which has a reciprocal agreement with the Council on Chiropractic Education or any governmental accrediting agency, whose minimum course of study leading to the degree of doctor of chiropractic consists of not less than 4,000 hours of credit which includes instruction in each of the following subjects:

(1) Anatomy;

(2) Bacteriology;

(3) Chiropractic theory and practice;

(4) Diagnosis and chiropractic analysis;

(5) Elementary chemistry and toxicology;

(6) Histology;
(7) Hygiene and sanitation;
(8) Obstetrics and gynecology;
(9) Pathology;
(10) Physiology; and
(11) Physiotherapy; and

(c) That the applicant ~~[:]~~ *has successfully:*

(1) ~~[Holds certificates which indicate that he or she has passed]~~ *Completed* parts I, II, III and IV, and the portion relating to physiotherapy, of the examination administered by the National Board of Chiropractic Examiners ~~[;]~~ *or its successor organization;* or

(2) ~~[Has actively practiced chiropractic in another state for not fewer than 7 of the immediately preceding 10 years without having any adverse disciplinary action taken against him or her.]~~ *Completed an examination that is required to graduate from a college of chiropractic which is accredited by the Council on Chiropractic Education or which has a reciprocal agreement with the Council on Chiropractic Education or any governmental accrediting agency. Such an examination must be:*

(I) Administered by such a college; and

(II) Approved by the Board.

2. The Board may, for good cause shown, waive the requirement for a particular applicant that the college of chiropractic from which the applicant graduated must be accredited by the Council on Chiropractic Education or have a reciprocal agreement with the Council on Chiropractic Education or a governmental accrediting agency.

3. Except as otherwise provided in subsections 4 and 5, every applicant is required to submit evidence of the successful completion of not less than 60 credit hours at an accredited college or university.

4. Any applicant who has been licensed to practice in another state, and has been in practice for not less than 5 years, is not required to comply with the provisions of subsection 3.

5. If an applicant has received his or her training and education at a school or college located in a foreign country, the Board may, if the Board determines that such training and education is substantially equivalent to graduation from a college of chiropractic that is accredited by the Council on Chiropractic Education and otherwise meets the requirements specified in paragraph (b) of subsection 1, waive the requirement that an applicant attend or graduate from a college that:

(a) Is accredited by the Council on Chiropractic Education; or

(b) Has a reciprocal agreement with the Council on Chiropractic Education or a governmental accrediting agency.

Sec. 4. NRS 634.100 is hereby amended to read as follows:

634.100 1. An applicant for a license to practice chiropractic in this State must pay the required fee to the Secretary of the Board ~~[not less than 60 days]~~ before the date of the examination.

2. Except as otherwise provided in NRS 622.090:

(a) For a written, closed-book examination which is administered in person by the Board, a score of 75 percent or higher in all subjects taken on the examination is a passing score.

(b) For a written, open-book examination which is administered in person by the Board or an examination that is taken online, a score of 90 percent or higher in all subjects taken on the examination is a passing score.

3. If an applicant fails to pass the first examination, the applicant may take a second examination within 1 year without payment of any additional fees. Except as otherwise provided in NRS 622.090, credit must be given on this examination for all subjects previously passed.

4. An applicant for a certificate as a chiropractor's assistant must pay the required fee to the Secretary of the Board before the application may be considered.

Sec. 5. NRS 634.105 is hereby amended to read as follows:

634.105 An applicant for a license to practice chiropractic who has the qualifications prescribed in NRS 634.090 may, while waiting to take the Board's examination but for no longer than ~~[2 years,]~~ *90 days*, perform chiropractic, including, without limitation, chiropractic adjustment or manipulation, under the direct supervision of a chiropractor who is professionally and legally responsible for the applicant's performance.

Sec. 5.5. NRS 634.115 is hereby amended to read as follows:

634.115 1. Except as otherwise provided in subsections 4 and 5, upon application, payment of the fee, if required, and the approval of its ~~[Secretary]~~ *Executive Director* and President, the Board may, without examination, grant a temporary license to practice chiropractic in this State to a person who holds a corresponding license or certificate in another jurisdiction which is in good standing and who actively practices chiropractic in that jurisdiction. A temporary license may be issued for the limited purpose of authorizing the holder thereof to treat patients in this State.

2. Except as otherwise provided in this subsection, an applicant for a temporary license must file an application with the ~~[Secretary]~~ *Executive Director* of the Board not less than 30 days before the applicant intends to practice chiropractic in this State. Upon the request of an applicant, the President or Secretary may, for good cause, authorize the applicant to file the application fewer than 30 days before he or she intends to practice chiropractic in this State.

3. Except as otherwise provided in subsection 6, an application for a temporary license must be accompanied by a fee of $50 and include:

(a) The applicant's name, the address of his or her primary place of practice and the applicant's telephone number;

(b) A current photograph of the applicant measuring 2 by 2 inches;

(c) The name of the chiropractic school or college from which the applicant graduated and the date of graduation; and

(d) The number of the applicant's license to practice chiropractic in another jurisdiction.

4. A temporary license:

(a) Is valid for the period designated on the license, which must be not more than 10 days;

(b) Is valid for the place of practice designated on the license; and

(c) Is not renewable.

5. The Board may not grant more than two temporary licenses to an applicant during any calendar year.

6. A chiropractic physician who applies for a temporary license solely for the purpose of providing chiropractic services to a patient in this State without remuneration is not required to pay the fee required pursuant to subsection 3.

Sec. 6. NRS 634.130 is hereby amended to read as follows:

634.130 1. Licenses and certificates must be renewed biennially. Except as otherwise provided in subsection ~~[9,]~~ *10 or 11,* each person who is licensed or holds a certificate as a chiropractor's assistant pursuant to the provisions of this chapter must, upon the payment of the required renewal fee and the submission of all information required to complete the renewal, be granted a renewal license or certificate which authorizes the person to continue to practice for 2 years.

2. Except as otherwise provided in subsection ~~[9,]~~ *10 or 11,* the renewal fee must be paid and all information required to complete the renewal must be submitted to the Board by January 1 of:

(a) Each odd-numbered year for a licensee; and

(b) Each even-numbered year for a holder of a certificate as a chiropractor's assistant.

3. Except as otherwise provided in subsection 5, 6 or 7, a licensee in active practice within this State must submit satisfactory proof to the Board that, during the 24 months immediately preceding the renewal date of the license, the licensee has attended at least 36 hours of continuing education which is approved or endorsed by the Board.

4. Except as otherwise provided in subsection 5, 6 or 8, a holder of a certificate as a chiropractor's assistant in active practice within this State must submit satisfactory proof to the Board that, during the 24 months immediately preceding the renewal date of the certificate, the certificate holder has attended at least 12 hours of continuing education which is approved or endorsed by the Board or the equivalent board of another state or jurisdiction that regulates chiropractors' assistants. The continuing education required by this subsection may include education related to lifesaving skills, including, without limitation, a course in cardiopulmonary resuscitation. The Board shall by regulation determine how many of the required 12 hours of continuing education must be course work related to such lifesaving skills. Any course of continuing education approved or endorsed by the Board or the equivalent board of another state or jurisdiction pursuant to this subsection may be conducted via the Internet or in a live setting, including, without limitation, a

conference, workshop or academic course of instruction. The Board shall not approve or endorse a course of continuing education which is self-directed or conducted via home study.

5. The educational requirement of subsection 3 or 4 may be waived by the Board if the licensee or holder of a certificate as a chiropractor's assistant files with the Board a statement of a chiropractic physician, osteopathic physician or doctor of medicine certifying that the licensee or holder of a certificate as a chiropractor's assistant is suffering from a serious or disabling illness or physical disability which prevented the licensee or holder of a certificate as a chiropractor's assistant from completing the requirements for continuing education during the 24 months immediately preceding the renewal date of the license or certificate.

6. The Board may waive the educational requirement of subsection 3 or 4 for a licensee or a holder of a certificate as a chiropractor's assistant if the licensee or holder of a certificate submits to the Board proof that the licensee or holder of a certificate was in active military service which prevented the licensee or holder of a certificate from completing the requirements for continuing education during the 24 months immediately preceding the renewal date of the license or certificate.

7. A licensee is not required to comply with the requirements of subsection 3 until the first odd-numbered year after the year the Board issues to the licensee an initial license to practice as a chiropractor in this State.

8. A holder of a certificate as a chiropractor's assistant is not required to comply with the requirements of subsection 4 until the first even-numbered year after the Board issues to the holder of a certificate an initial certificate to practice as a chiropractor's assistant in this State.

9. *The Board may adopt regulations that provide for random audits of licensees and holders of a certificate as a chiropractor's assistant to ensure compliance with subsection 3 or 4, as appropriate.*

10. The Board may waive the renewal fee for a licensee or holder of a certificate as a chiropractor's assistant if the licensee or holder of a certificate submits proof to the Board that the licensee or holder of a certificate was in active military service at the time the renewal fee was due.

~~[10.]~~ *11. The Board may adopt regulations that provide for the prorating or waiving of the renewal fee for a licensee or holder of a certificate as a chiropractor's assistant if such prorating or waiving is based upon the date on which:*

(a) The Board issues a license to practice chiropractic or a certificate as a chiropractor's assistant; and

(b) Such license or certification must be renewed.

12. If a licensee fails to:

(a) Except as otherwise provided in subsection ~~[9,]~~ *10 or 11,* pay the renewal fee by January 1 of an odd-numbered year;

(b) Except as otherwise provided in subsection 5 or 6, submit proof of continuing education pursuant to subsection 3;

(c) Notify the Board of a change in the location of his or her office pursuant to NRS 634.129; or

(d) Submit all information required to complete the renewal,

➥ the license automatically expires and, except as otherwise provided in NRS 634.131, may be reinstated only upon the payment, by January 1 of the even-numbered year following the year in which the license expired, of the required fee for reinstatement in addition to the renewal fee.

~~[11.]~~ *13.* If a holder of a certificate as a chiropractor's assistant fails to:

(a) Except as otherwise provided in subsection ~~[9,]~~ *10 or 11,* pay the renewal fee by January 1 of an even-numbered year;

(b) Except as otherwise provided in subsection 5 or 6, submit proof of continuing education pursuant to subsection 4;

(c) Notify the Board of a change in the location of his or her office pursuant to NRS 634.129; or

(d) Submit all information required to complete the renewal,

➥ the certificate automatically expires and may be reinstated only upon the payment of the required fee for reinstatement in addition to the renewal fee.

Sec. 7. NRS 634.131 is hereby amended to read as follows:

634.131 1. If a license expires pursuant to the provisions of subsection ~~[10]~~ *12* of NRS 634.130 and the license was not reinstated pursuant to the provisions of that subsection, the person who held the license may apply to the Board to have the license reinstated to active status.

2. An applicant to have an expired license reinstated to active status pursuant to subsection 1 must:

(a) Either:

(1) Submit satisfactory evidence to the Board:

(I) That the applicant has maintained an active practice in another state, territory or country within the preceding 5 years;

(II) From all other licensing agencies which have issued the applicant a license that he or she is in good standing and has no legal actions pending against him or her; and

(III) That the applicant has participated in a program of continuing education in accordance with NRS 634.130 for the year in which he or she seeks to be reinstated to active status; or

(2) Score *:*

(I) For a written, closed-book examination which is administered in person by the Board, 75 percent or higher *in all subjects* on ~~[an]~~ *the* examination ~~[prescribed by the Board on]~~ *concerning* the provisions of this chapter and the regulations adopted by the Board; *or*

(II) For a written, open-book examination which is administered in person by the Board or an examination that is taken online, 90 percent or higher in all subjects on the examination concerning the provisions of this chapter and the regulations adopted by the Board;

(b) Pay:

(1) The fee for the biennial renewal of a license to practice chiropractic;

(2) The fee for reinstating a license to practice chiropractic which has expired; and

(3) The fee for the processing of fingerprints established pursuant to subsection 4; and

(c) Submit a complete set of fingerprints and written permission authorizing the Board 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.

3. If any of the requirements set forth in subsection 2 are not met by an applicant for the reinstatement of an expired license to active status, the Board, before reinstating the license of the applicant to active status:

(a) Must hold a hearing to determine the professional competency and fitness of the applicant; and

(b) May require the applicant to:

(1) Pass the Special Purposes Examination for Chiropractic prepared by the National Board of Chiropractic Examiners; and

(2) Satisfy any additional requirements that the Board deems to be necessary.

4. The Board shall establish by regulation the fee for processing fingerprints. The fee must not exceed the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints.

Sec. 8. NRS 634.140 is hereby amended to read as follows:

634.140 The grounds for initiating disciplinary action pursuant to this chapter are:

1. Unprofessional conduct.

2. *Incompetence or negligence in the practice of chiropractic.*

3. Conviction of:

(a) A violation of any federal or state law regulating the possession, distribution or use of any controlled substance or any dangerous drug as defined in chapter 454 of NRS;

(b) A ~~[felony]~~ *crime* relating to the practice of chiropractic;

(c) A violation of any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive; or

(d) Any offense involving moral turpitude.

~~[3.]~~ *4.* Suspension or revocation of the license to practice chiropractic by any other jurisdiction.

~~[4.]~~ *5.* Referring, in violation of NRS 439B.425, a patient to a health facility, medical laboratory or commercial establishment in which the licensee has a financial interest.

~~[5.]~~ *6.* Operation of a medical facility, as defined in NRS 449.0151, at any time during which:

(a) The license of the facility is suspended or revoked; or

(b) An act or omission occurs which results in the suspension or revocation of the license pursuant to NRS 449.160.

➥ This subsection applies to an owner or other principal responsible for the operation of the facility.

Sec. 9. NRS 634.190 is hereby amended to read as follows:

634.190 1. The person charged is entitled to a hearing before the Board, but the failure of the person charged to attend a hearing or to defend himself or herself does not delay or void the proceedings. The Board may, for good cause shown, continue any hearing from time to time.

2. If the Board finds *that* the person ~~[guilty as charged]~~ *committed one or more of the charges made* in the complaint, ~~[it]~~ *the Board* may by order:

(a) Place the person on probation for a specified period or until further order of the Board.

(b) Administer to the person a public reprimand.

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

(d) Suspend the license of the person to practice chiropractic for a specified period or until further order of the Board.

(e) Revoke the license of the person to practice chiropractic.

(f) Impose a fine of not more than $5,000 for each act which constitutes a ground for disciplinary action, which must be deposited with the State Treasurer for credit to the State General Fund.

➥ The order of the Board may contain such other terms, provisions or conditions as the Board deems proper ~~[and which are not inconsistent with law.]~~ *to remedy or address the facts and circumstances of the particular case.*

3. If the Board finds that a licensee has violated the provisions of NRS 439B.425, the Board shall suspend the license for a specified period or until further order of the Board.

4. The Board shall not administer a private reprimand.

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

Sec. 10. NRS 634.216 is hereby amended to read as follows:

634.216 The Board or any person who or other organization which initiates or assists in any lawful investigation or proceeding concerning the discipline of a chiropractor ~~[for gross malpractice, repeated malpractice or unprofessional conduct]~~ is immune from any civil action for that initiation or assistance or any consequential damages, if the person or organization acted without malicious intent.

Sec. 10.5. NRS 634.225 is hereby amended to read as follows:

634.225 *1.* A chiropractor shall not pierce or sever any body tissue, except to ~~[draw]~~ *:*

(a) Draw blood for diagnostic purposes ~~[.]~~ *; or*

(b) Perform dry needling, if the chiropractor is qualified to do so pursuant to the regulations adopted by the Board pursuant to section 1 of this act.

2. A chiropractor shall not offer to engage in, advertise, solicit or otherwise claim to be able to perform acupuncture unless he or she is licensed to practice Oriental medicine pursuant to chapter 634A of NRS, except that a

chiropractor who is qualified to perform dry needling pursuant to the regulations adopted pursuant to section 1 of this act may offer to engage in, advertise, solicit or otherwise claim to be able to perform dry needling.

3. As used in this section:

(a) "Acupuncture" has the meaning ascribed to it in NRS 634A.020.

(b) "Dry needling" has the meaning ascribed to it in section 1 of this act.

Sec. 11. NRS 634.015 is hereby repealed.

Sec. 12. This act becomes effective on July 1, 2019.

TEXT OF REPEALED SECTION

634.015 "Gross malpractice" defined. "Gross malpractice" means malpractice where the failure to exercise the requisite degree of care, diligence or skill consists of ministering to a patient while the chiropractor is under the influence of alcohol or any controlled substance.

Senator Spearman moved the adoption of the amendment.

Remarks by Senators Spearman and Settelmeyer.

SENATOR SPEARMAN:

Amendment No. 692 makes one change to Assembly Bill No. 457. It removes the requirement that a chiropractor must complete a minimum of 150 hours of didactic education and training. Instead of putting it in statute, it will be done by regulation.

SENATOR SETTELMEYER:

Having the hours included in statue, as it is in Oriental medicine, was one of the few aspects of the bill I liked; therefore, I will be opposing this amendment and, now, the bill.

Amendment adopted.

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

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Senate Bills Nos. 17, 18, 55, 85, 92, 184, 232, 284, 454; Assembly Bill No. 110.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Dondero Loop, the privilege of the floor of the Senate Chamber for this day was extended to Larry Helwig, PhD and Susan VanBeuge, DNP, APRN.

On request of Senator Goicoechea, the privilege of the floor of the Senate Chamber for this day was extended to Diane McGinnis.

On request of Senator Hammond, the privilege of the floor of the Senate Chamber for this day was extended to Teresa Praus.

On request of Senator Kieckhefer, the privilege of the floor of the Senate Chamber for this day was extended to Jan Kieckhefer.

Senator Cannizzaro moved that the Senate adjourn until Tuesday, May 14, 2019, at 11:00 a.m.

Motion carried.

Senate adjourned at 11:48 a.m.

Approved: KATE MARSHALL
President of the Senate

Attest: CLAIRE J. CLIFT
Secretary of the Senate