
SENATE BILL NO. 288—SENATOR HAMMOND

MARCH 18, 2019

Referred to Committee on Commerce and Labor

SUMMARY—Prohibits certain false or misleading practices by or on behalf of treatment providers, facilities and alcohol and drug abuse programs. (BDR 52-575)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: No.

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

AN ACT relating to trade regulations; prohibiting certain false or misleading practices by or on behalf of treatment providers, facilities and alcohol and drug abuse programs; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 This bill prohibits a treatment provider, facility or operator of an alcohol and
2 drug abuse program, or a person who provides any form of advertising or
3 marketing services on their behalf, from making or providing false or misleading
4 statements about the alcohol and drug abuse services and from engaging in certain
5 other practices. This bill makes violations of such provisions a misdemeanor.

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

1 **Section 1.** Chapter 597 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. A treatment provider, a facility or an operator of an*
4 *alcohol and drug abuse program, or a person who provides any*
5 *form of advertising or marketing services on behalf of such a*
6 *provider, facility or operator, shall not engage in any of the*
7 *following practices:*



1 (a) Making a false or misleading statement or providing false
2 or misleading information about the products, goods, services or
3 geographical locations of the treatment provider, facility or
4 alcohol and drug abuse program in the marketing, advertising
5 materials or media or on the Internet website of the treatment
6 provider, facility or operator of the alcohol and drug abuse
7 program;

8 (b) Including on the Internet website of the treatment provider,
9 facility or alcohol and drug abuse program false information or
10 electronic links, coding or activation that provides false
11 information or that surreptitiously directs the reader to another
12 Internet website;

13 (c) Soliciting, receiving or making an attempt to solicit or
14 receive a commission, benefit, bonus, rebate, kickback or bribe,
15 directly or indirectly, in cash or in kind, or engaging in or making
16 an attempt to engage in a split-fee arrangement in return for a
17 referral or an acceptance or acknowledgment of treatment from
18 the treatment provider, facility or operator of the alcohol and drug
19 abuse program; or

20 (d) Entering into a contract with a person who provides
21 marketing services who agrees to generate referrals or leads for
22 the placement of patients with the treatment provider, facility or
23 operator of the alcohol and drug abuse program through a call
24 center or web-based presence, unless the treatment provider,
25 facility or operator of the alcohol and drug abuse program
26 provides to the prospective patient:

27 (1) A clear disclosure to inform the prospective patient that
28 the person providing the marketing services represents a specific
29 treatment provider, facility or operator of an alcohol and drug
30 abuse program which pays a fee to the person providing the
31 marketing services and the identity of the treatment provider,
32 facility or operator of an alcohol and drug abuse program
33 represented by the person; and

34 (2) Instructions on the manner in which any list of
35 treatment providers, facilities or alcohol and drug abuse programs
36 provided by the Division on its Internet website may be accessed.

37 2. Any violation of the provisions of this section is a
38 misdemeanor.

39 3. As used in this section, the terms "alcohol and drug abuse
40 program," "Division," "facility" and "treatment provider" have
41 the meanings ascribed to them respectively in NRS 458.010.

