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ASSEMBLY BILL NO. 482—COMMITTEE ON WAYS AND MEANS

MAY 13, 2021

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Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to state business licenses.  
(BDR 7-1144)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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

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AN ACT relating to businesses; prohibiting the Secretary of State from renewing the state business license of a person who owes a debt to a state agency under certain circumstances; revising provisions governing notifications of certain debts collected by the State Controller; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law, with certain exceptions, prohibits a person from conducting a  
2 business in this State unless the person first obtains a state business license issued  
3 by the Secretary of State. (NRS 76.100) Existing law further provides that such  
4 licenses must be renewed annually. (NRS 76.130) **Section 1** of this bill prohibits  
5 the Secretary of State from renewing a state business license if the State Controller  
6 has notified the Secretary of State that the person who holds the state business  
7 license owes a debt to a state agency that has been assigned to the State Controller  
8 for collection and the person has not: (1) satisfied the debt; (2) entered into an  
9 agreement with the State Controller for the payment of the debt; or (3)  
10 demonstrated to the State Controller that the debt is not valid.

11 Existing law requires certain agencies, boards and commissions that regulate an  
12 occupation or profession to provide to the State Controller the name and certain  
13 information concerning persons to whom the agencies, boards and commissions  
14 have issued licenses to engage in a profession or occupation. If the State Controller  
15 determines that the name of such a licensee appears on the list maintained by the  
16 State Controller of persons who owe a debt to an agency that has been assigned to  
17 the State Controller for collection, the State Controller is required to: (1) send a  
18 written notice to the licensee stating that the licensing agency, board or commission  
19 is prohibited from renewing the license of the licensee unless the licensee pays the  
20 debt, enters into an agreement for the payment of the debt or demonstrates to the  
21 State Controller that the debt is not valid; and (2) notify the licensing agency, board  
22 or commission if the licensee does not pay the debt, enter into an agreement for the  
23 payment of the debt or demonstrate that the debt is not valid. (NRS 353C.1965)



24 **Section 2** of this bill makes these provisions of existing law applicable to state  
25 business licenses issued by the Secretary of State so that: (1) the Secretary of State  
26 is required to provide to the State Controller certain information concerning persons  
27 to whom the Secretary of State has issued a state business license; (2) the State  
28 Controller is required to send the written notice required by existing law to the  
29 holder of the state business license if the State Controller determines that the holder  
30 of the state business license appears on the list maintained by the State Controller  
31 of persons who owe a debt to an agency that has been assigned to the State  
32 Controller for collection; and (3) the State Controller is required to notify the  
33 Secretary of State if the licensee does not pay the debt, enter into an agreement for  
34 the payment of the debt or demonstrate that the debt is not valid.

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

1 **Section 1.** Chapter 76 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3 *1. The Secretary of State shall not renew a state business*  
4 *license if the State Controller has informed the Secretary of State*  
5 *pursuant to subsection 5 of NRS 353C.1965 that the applicant for*  
6 *renewal of the state business license owes a debt to an agency that*  
7 *has been assigned to the State Controller for collection and the*  
8 *applicant has not:*

9 (a) *Satisfied the debt;*

10 (b) *Entered into an agreement for the payment of the debt*  
11 *pursuant to NRS 353C.130; or*

12 (c) *Demonstrated to the State Controller that the debt is not*  
13 *valid.*

14 *2. As used in this section:*

15 (a) *“Agency” has the meaning ascribed to it in NRS 353C.020.*

16 (b) *“Debt” has the meaning ascribed to it in NRS 353C.040.*

17 **Sec. 2.** NRS 353C.1965 is hereby amended to read as follows:

18 353C.1965 1. The State Controller shall establish and  
19 maintain a list of persons who owe a debt to an agency that has been  
20 assigned to the State Controller for collection pursuant to  
21 NRS 353C.195.

22 2. A licensing agency shall provide to the State Controller:

23 (a) The name, address and social security number or employer  
24 identification number, as applicable, of each licensee; and

25 (b) The business identification number of the licensee, if the  
26 licensee has a state business license.

27 3. A licensing agency shall provide the information described  
28 in subsection 2:

29 (a) On or before February 1 of each year for licensees who  
30 renewed licenses from July 1 through December 31 of the previous  
31 calendar year; or



1 (b) On or before August 1 of each year for licensees who  
2 renewed licenses from January 1 through June 30 of the current  
3 calendar year.

4 4. If the State Controller determines that the name of any  
5 licensee appears on the list established by the State Controller  
6 pursuant to subsection 1, the State Controller shall send a written  
7 notice to the licensee, which includes, without limitation:

8 (a) The amount of the debt;

9 (b) A request for payment of the debt;

10 (c) Notification that the licensee may enter into an agreement  
11 with the State Controller pursuant to NRS 353C.130 for the  
12 payment of the debt;

13 (d) Notification that the licensee must respond to the notice  
14 within 30 days after the date on which the notice was sent;

15 (e) Notification that the licensee may request a hearing to  
16 determine the validity of the debt not later than 30 days after the  
17 date on which the notice was sent; and

18 (f) Notification that the licensing agency is prohibited from  
19 renewing the license of the licensee unless the licensee pays the  
20 debt, enters into an agreement for the payment of the debt pursuant  
21 to NRS 353C.130 or demonstrates to the State Controller that the  
22 debt is not valid.

23 5. The State Controller shall notify the licensing agency if the  
24 licensee does not pay the debt that has been assigned to the State  
25 Controller for collection, enter into an agreement for the payment of  
26 the debt pursuant to NRS 353C.130 or demonstrate that the debt is  
27 not valid. A licensing agency shall not renew the license of the  
28 licensee who is the subject of the notification until the State  
29 Controller notifies the licensing agency that the licensee has:

30 (a) Satisfied the debt;

31 (b) Entered into an agreement for the payment of the debt  
32 pursuant to NRS 353C.130; or

33 (c) Demonstrated that the debt is not valid.

34 6. Information shared between the State Controller and a  
35 licensing agency to carry out the provisions of this section is not a  
36 public record.

37 7. A licensing agency may not be held liable in any civil action  
38 for any action taken by the licensing agency in good faith to comply  
39 with the provisions of this section.

40 8. The State Controller shall verify with the Secretary of State  
41 the information related to the state business license of each licensee.

42 9. The State Controller shall adopt such regulations as the State  
43 Controller determines necessary or advisable to carry out the  
44 provisions of this section.

45 10. As used in this section:



1 (a) "License" means *a state business license or* any license,  
2 certification, registration, permit or other authorization that grants a  
3 person the authority to engage in a profession or occupation in this  
4 State.

5 (b) "Licensee" means a person to whom a license has been  
6 issued.

7 (c) "Licensing agency" means *the Secretary of State or* any  
8 agency, board or commission that regulates an occupation or  
9 profession except for the Department of Motor Vehicles, the  
10 Division of Insurance of the Department of Business and Industry,  
11 the Commissioner of Insurance or any local government.

12 (d) *"State business license" has the meaning ascribed to it in*  
13 *NRS 76.030.*

14 **Sec. 3.** Notwithstanding the provisions of NRS 218D.430 and  
15 218D.435, a committee, other than the Assembly Standing  
16 Committee on Ways and Means and the Senate Standing Committee  
17 on Finance, may vote on this act before the expiration of the period  
18 prescribed for the return of a fiscal note in NRS 218D.475. This  
19 section applies retroactively from and after March 22, 2021.

20 **Sec. 4.** This act becomes effective on July 1, 2021.

