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SENATE BILL NO. 69–COMMITTEE ON COMMERCE, LABOR AND ENERGY

(ON BEHALF OF THE OFFICE OF THE GOVERNOR)

PREFILED NOVEMBER 17, 2016

Referred to Committee on Commerce, Labor and Energy

SUMMARY-Revises provisions governing state agencies, boards and commissions that regulate occupations and professions. (BDR 54-229)

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

EXPLANATION - Matter in *bolded italics* is new; matter between brackets for its material is material to be omitted.

AN ACT relating to regulatory bodies; requiring certain regulatory bodies to adopt regulations governing the issuance of a license by endorsement to a natural person who holds a comparable license issued by the District of Columbia or any state or territory of the United States and meets certain other requirements; prohibiting the appointment as a member of a regulatory body of a person who has served as a member for 12 years or more under certain circumstances; prohibiting regulatory bodies from entering into an agreement for the payment of fees for legal services on a contingent basis; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides for the regulation of certain occupations and professions in this State. (Title 54 of NRS) The various state agencies, boards and commissions that are authorized to license and regulate particular occupations or professions are generally referred to as "regulatory bodies." (NRS 622.060) Section 3 of this bill requires a regulatory body that is not otherwise authorized

23456789 or required by specific statute to issue a license to engage in an occupation or profession in this State to a natural person who has been issued a comparable license by another jurisdiction to adopt regulations providing for the issuance of a license by endorsement to engage in an occupation or profession in this State to a natural person who: (1) holds a corresponding valid and unrestricted license to 10 11 engage in that occupation or profession in the District of Columbia or any state or





12 territory of the United States; (2) possesses gualifications that are substantially 13 similar to the qualifications required for issuance of a license to engage in that 14 occupation or profession in this State; and (3) satisfies certain other requirements.

15 Section 4 of this bill establishes term limits for members of regulatory bodies. 16 Specifically, section 4 provides that a person may not be appointed as a member of 17 a regulatory body if the person has served as a member of that regulatory body, or 18 at the expiration of his or her current term if he or she is so serving will have 19 served, 12 years or more at the time of his or her appointment, unless the person is serving as a member of a regulatory body with less than 250 licensees.

Existing law establishes specific requirements that must be satisfied before certain state agencies or officials may enter into a contingent fee contract with an attorney or law firm. (NRS 228.111-228.1118) Section 5 of this bill prohibits any regulatory body from entering into such a contract. Section 8 of this bill makes a conforming change.

20 21 22 23 24 25 26 27 28 29 30 31 32 33 35 36 37 38 39 Existing law requires each regulatory body to submit a quarterly report to the Director of the Legislative Counsel Bureau that includes certain information concerning the disciplinary actions taken and the number of licenses issued by the regulatory body during the immediately preceding calendar quarter. (NRS 622.100) Section 7 of this bill requires the regulatory body also to include in the report: (1) the total number of applications for licensure received by the regulatory body; (2) the number of applications rejected by the regulatory body as incomplete; (3) the average number of days between the date of rejection of an application as incomplete and the resubmission by the applicant of a complete application; (4) a list of each reason given by the regulatory body for the denial of an application and the number of applications denied by the regulatory body for each such reason; and (5) the number of applications reviewed on an individual basis by the regulatory body or the executive head of the regulatory body.

Section 18 of Senate Bill No. 516 of this session creates the Office of Workforce Innovation in the Office of the Governor. Section 19 of Senate Bill No. 40 41 516 of this session requires the Governor to appoint the Executive Director of the 42 Office of Workforce Innovation. Section 9.5 of this bill requires the Executive 43 Director of the Office of Workforce Innovation, on or before January 1 of each 44 year, to submit to the Director of the Legislative Counsel Bureau a written report 45 that includes: (1) the number of persons in this State who are engaged in an 46 occupation or profession that is regulated by a regulatory body; and (2) the demand 47 for the services of such persons engaged in such a regulated occupation or 48 profession.

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

1 **Section 1.** Chapter 622 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this 2 3 act.

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- Sec. 2. (Deleted by amendment.)

Sec. 3. 1. Except as otherwise provided by specific statute 5 relating to the issuance of a license by endorsement, a regulatory body shall adopt regulations providing for the issuance of a 6 7

8 license by endorsement to engage in an occupation or profession

in this State to any natural person who: 9





1 (a) Holds a corresponding valid and unrestricted license to 2 engage in that occupation or profession in the District of 3 Columbia or any state or territory of the United States;

4 (b) Possesses qualifications that are substantially similar to the 5 qualifications required for issuance of a license to engage in that 6 occupation or profession in this State; and

7 (c) Satisfies the requirements of this section and the 8 regulations adopted pursuant thereto.

9 2. The regulations adopted pursuant to subsection 1 must not 10 allow the issuance of a license by endorsement to engage in an 11 occupation or profession in this State to a natural person unless 12 such a person:

(a) Is a citizen of the United States or otherwise has the legal
right to work in the United States;

15 (b) Has not been disciplined by the corresponding regulatory 16 authority of the District of Columbia or any state or territory in 17 which the applicant currently holds or has held a license to 18 engage in an occupation or profession;

19 (c) Has not been held civilly or criminally liable in the District 20 of Columbia or any state or territory of the United States for 21 misconduct relating to his or her occupation or profession;

22 (d) Has not had a license to engage in an occupation or 23 profession suspended or revoked in the District of Columbia or 24 any state or territory of the United States;

(e) Has not been refused a license to engage in an occupation
or profession in the District of Columbia or any state or territory
of the United States for any reason;

(f) Does not have pending any disciplinary action concerning
his or her license to engage in an occupation or profession in the
District of Columbia or any state or territory of the United States;

31 (g) Pays any applicable fees for the issuance of a license that 32 are otherwise required for a natural person to obtain a license in 33 this State;

(h) Submits to the regulatory body a complete set of his or her
fingerprints and written permission authorizing the regulatory
body 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 or proof that the applicant
has previously passed a comparable criminal background check;
and

41 *(i) Submits to the regulatory body the statement required by* 42 NRS 425.520.

43 3. A regulatory body may, by regulation, require an applicant 44 for issuance of a license by endorsement to engage in an





occupation or profession in this State to submit with his or her 1 2 application:

3 (a) **Proof satisfactory to the regulatory body that the applicant:** (1) Has achieved a passing score on a nationally 4 5 recognized, nationally accredited or nationally certified 6 examination or other examination approved by the regulatory 7 body:

8 (2) Has completed the requirements of an appropriate vocational, academic or professional program of study in the 9 occupation or profession for which the applicant is seeking a 10 license by endorsement in this State: 11

12 (3) Has engaged in the occupation or profession for which 13 the applicant is seeking a license by endorsement in this State pursuant to the applicant's existing licensure for the period 14 determined by the regulatory body preceding the date of the 15 16 application; and

17 (4) Possesses a sufficient degree of competency in the 18 occupation or profession for which he or she is seeking licensure 19 by endorsement in this State;

(b) An affidavit stating that the information contained in the 20 application and any accompanying material is true and complete; 21 22 and

(c) Any other information required by the regulatory body.

24 4. Not later than 21 business days after receiving an application for a license by endorsement to engage in an 25 occupation or profession pursuant to this section, the regulatory 26 body shall provide written notice to the applicant of any additional 27 information required by the regulatory body to consider the 28 29 application. Unless the regulatory body denies the application for good cause, the regulatory body shall approve the application and 30 issue a license by endorsement to engage in the occupation or 31 32 profession to the applicant not later than: 33

(a) Sixty days after receiving the application;

(b) If the regulatory body requires an applicant to submit 34 fingerprints and authorize the preparation of a report on the 35 applicant's background based on the submission of the applicant's 36 fingerprints, 15 days after the regulatory body receives the report; 37 38 or

39 (c) If the regulatory body requires the filing and maintenance of a bond as a requirement for the issuance of a license, 15 days 40 after the filing of the bond with the regulatory body, 41

42 whichever occurs later.

43 A license by endorsement to engage in an occupation or 5. 44 profession in this State issued pursuant to this section may be 45 issued at a meeting of the regulatory body or between its meetings



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by the presiding member of the regulatory body and the executive
 head of the regulatory body. Such an action shall be deemed to be
 an action of the regulatory body.

4 6. A regulatory body may deny an application for licensure by 5 endorsement if:

6 (a) An applicant willfully fails to comply with the provisions of 7 paragraph (h) of subsection 2; or

8 (b) The report from the Federal Bureau of Investigation 9 indicates that the applicant has been convicted of a crime that 10 would be grounds for taking disciplinary action against the 11 applicant as a licensee and the regulatory body has not previously 12 taken disciplinary action against the licensee based on that 13 conviction.

14 7. The provisions of this section are intended to supplement 15 other provisions of statute governing licensure by endorsement. If 16 any provision of statute conflicts with this section, the other 17 provision of statute prevails over this section to the extent that the 18 other provisions provide more specific requirements relating to 19 licensure by endorsement.

20 Sec. 4. 1. Except as otherwise provided in subsection 2, 21 notwithstanding any other provision of law, a person may not be 22 appointed as a member of a regulatory body if the person has 23 served as a member of that regulatory body, or at the expiration of 24 his or her current term if he or she is so serving will have served, 25 12 years or more at the time of his or her appointment.

26 2. The provisions of subsection 1 do not apply to a person 27 who has served as a member of a regulatory body which has less 28 than 250 licensees.

29 Sec. 5. 1. Notwithstanding the provisions of NRS 228.111 30 to 228.1118, inclusive, and any other provision of law, a 31 regulatory body shall not employ, retain or otherwise contract with 32 an attorney or law firm pursuant to a contingent fee contract.

2. As used in this section, "contingent fee contract" means a contract for legal services between a regulatory body and an attorney or law firm, pursuant to which the fee of the attorney or law firm is payable, in whole or in part, from any money recovered in a matter governed by the contract.

38 39 Sec. 6. (Deleted by amendment.)

Sec. 7. NRS 622.100 is hereby amended to read as follows:

622.100 1. Each regulatory body shall, on or before the 20th
day of January, April, July and October, submit to the Director of
the Legislative Counsel Bureau in an electronic format prescribed
by the Director:





(a) A summary of each disciplinary action taken by the 1 regulatory body during the immediately preceding calendar quarter 2 3 against any licensee of the regulatory body; and 4

(b) A report that includes:

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(1) *For the immediately preceding calendar quarter:*

(1) The number of licenses issued by the regulatory body 6 7 [during the immediately preceding calendar quarter;];

(II) The total number of applications for licensure 8 9 received by the regulatory body;

10 (III) The number of applications rejected by the 11 regulatory body as incomplete;

(IV) The average number of days between the date of 12 13 rejection of an application as incomplete and the resubmission by 14 the applicant of a complete application;

15 (V) A list of each reason given by the regulatory body for the denial of an application and the number of applications 16 17 denied by the regulatory body for each such reason; and

(VI) The number of applications reviewed on an 18 19 individual basis by the regulatory body or the executive head of 20 *the regulatory body*; and

(2) Any other information that is requested by the Director or 21 22 which the regulatory body determines would be helpful to the Legislature in evaluating whether the continued existence of the 23 24 regulatory body is necessary.

25 The Director shall: 2.

26 (a) Provide any information received pursuant to subsection 1 to 27 a member of the public upon request;

(b) Cause a notice of the availability of such information to be 28 posted on the public website of the Nevada Legislature on the 29 30 Internet: and

31 (c) Transmit a compilation of the information received pursuant to subsection 1 to the Legislative Commission quarterly, unless 32 33 otherwise directed by the Commission.

34 The Director, on or before the first day of each regular 3. 35 session of the Legislature and at such other times as directed, shall 36 compile the reports received pursuant to paragraph (b) of subsection 37 1 and distribute copies of the compilation to the Senate Standing 38 Committee on Commerce and Labor and the Assembly Standing 39 Committee on Commerce and Labor, each of which shall review the compilation to determine whether the continued existence of each 40 41 regulatory body is necessary.

42 Sec. 7.3. (Deleted by amendment.)

43 **Sec. 7.6.** (Deleted by amendment.)





1	Sec. 8. NRS 228.1111 is hereby amended to read as follows:
2	228.1111 1. [The] Subject to the limitations of section 5 of
3	this act, the Attorney General or any other officer, agency or
4	employee in the Executive Department of the State Government
5	shall not enter into a contingent fee contract unless:
6	(a) The Governor, in consultation with the Attorney General,
7	has determined in writing:
8 9	(1) That the Attorney General lacks the resources, skill or expertise to provide representation in the matter that is the subject of
10	the proposed contract; and
11	(2) That representation pursuant to a contingent fee contract
12	is cost-effective and in the public interest; and
13	(b) The proposed contract complies with the requirements of
14	NRS 228.111 to 228.1118, inclusive.
15	2. Before entering into a contingent fee contract, the Attorney
16	General or other officer, agency or employee, as applicable, must
17	obtain approval from the Interim Finance Committee to commit
18	money for that purpose. See 0 . Section 2 of this set is barghy arounded to meet as
19 20	Sec. 9. Section 3 of this act is hereby amended to read as
20 21	follows:
21	Sec. 3. 1. Except as otherwise provided by specific statute relating to the issuance of a license by endorsement, a
22	regulatory body shall adopt regulations providing for the
23 24	issuance of a license by endorsement to engage in an
24	occupation or profession in this State to any natural person
26	who:
27	(a) Holds a corresponding valid and unrestricted license
$\frac{2}{28}$	to engage in that occupation or profession in the District of
29	Columbia or any state or territory of the United States;
30	(b) Possesses qualifications that are substantially similar
31	to the qualifications required for issuance of a license to
32	engage in that occupation or profession in this State; and
33	(c) Satisfies the requirements of this section and the
34	regulations adopted pursuant thereto.
35	2. The regulations adopted pursuant to subsection 1 must
36	not allow the issuance of a license by endorsement to engage
37	in an occupation or profession in this State to a natural person
38	unless such a person:
39	(a) Is a citizen of the United States or otherwise has the
40	legal right to work in the United States;
41	(b) Has not been disciplined by the corresponding
42	regulatory authority of the District of Columbia or any state
43	or territory in which the applicant currently holds or has held
44	a license to engage in an occupation or profession;
	. * * .





(c) Has not been held civilly or criminally liable in the District of Columbia or any state or territory of the United States for misconduct relating to his or her occupation or profession;

(d) Has not had a license to engage in an occupation or profession suspended or revoked in the District of Columbia or any state or territory of the United States;

(e) Has not been refused a license to engage in an occupation or profession in the District of Columbia or any state or territory of the United States for any reason;

(f) Does not have pending any disciplinary action concerning his or her license to engage in an occupation or profession in the District of Columbia or any state or territory of the United States;

15 (g) Pays any applicable fees for the issuance of a license 16 that are otherwise required for a natural person to obtain a 17 license in this State; *and*

(h) Submits to the regulatory body a complete set of his or her fingerprints and written permission authorizing the regulatory body 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 or proof that the applicant has previously passed a comparable criminal background check. [; and

(i) Submits to the regulatory body the statement required by NRS 425.520.]

3. A regulatory body may, by regulation, require an applicant for issuance of a license by endorsement to engage in an occupation or profession in this State to submit with his or her application:

(a) Proof satisfactory to the regulatory body that the applicant:

(1) Has achieved a passing score on a nationally recognized, nationally accredited or nationally certified examination or other examination approved by the regulatory body;

(2) Has completed the requirements of an appropriate vocational, academic or professional program of study in the occupation or profession for which the applicant is seeking a license by endorsement in this State;

(3) Has engaged in the occupation or profession for which the applicant is seeking a license by endorsement in this State pursuant to the applicant's existing licensure for the period determined by the regulatory body preceding the date of the application; and





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(4) Possesses a sufficient degree of competency in the occupation or profession for which he or she is seeking licensure by endorsement in this State;

(b) An affidavit stating that the information contained in the application and any accompanying material is true and complete; and

(c) Any other information required by the regulatory body.

4 Not later than 21 business days after receiving an application for a license by endorsement to engage in an occupation or profession pursuant to this section, the regulatory body shall provide written notice to the applicant of any additional information required by the regulatory body to consider the application. Unless the regulatory body denies the application for good cause, the regulatory body shall approve the application and issue a license by endorsement to engage in the occupation or profession to the applicant not later than.

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(a) Sixty days after receiving the application;

(b) If the regulatory body requires an applicant to submit fingerprints and authorize the preparation of a report on the applicant's background based on the submission of the applicant's fingerprints, 15 days after the regulatory body receives the report; or

25 (c) If the regulatory body requires the filing and 26 maintenance of a bond as a requirement for the issuance of a license, 15 days after the filing of the bond with the 27 28 regulatory body, 29

→ whichever occurs later.

A license by endorsement to engage in an occupation 5 or profession in this State issued pursuant to this section may be issued at a meeting of the regulatory body or between its meetings by the presiding member of the regulatory body and the executive head of the regulatory body. Such an action shall be deemed to be an action of the regulatory body.

A regulatory body may deny an application for 36 6. 37 licensure by endorsement if:

(a) An applicant willfully fails to comply with the provisions of paragraph (h) of subsection 2; or

(b) The report from the Federal Bureau of Investigation indicates that the applicant has been convicted of a crime that would be grounds for taking disciplinary action against the applicant as a licensee and the regulatory body has not previously taken disciplinary action against the licensee based on that conviction





1 7. The provisions of this section are intended to 2 supplement other provisions of statute governing licensure by 3 endorsement. If any provision of statute conflicts with this 4 section, the other provision of statute prevails over this 5 section to the extent that the other provisions provide more 6 specific requirements relating to licensure by endorsement. Sec. 9.5. Section 20 of Senate Bill No. 516 of this session is 7 8 hereby amended to read as follows: Sec. 20. The Executive Director of the Office of 9 10 Workforce Innovation shall: 11 1. Provide support to the Office of the Governor, the 12 Governor's Workforce Development Board created by NRS 13 232.935 and the industry sector councils established by the 14 Governor's Workforce Development Board on matters 15 relating to workforce development. 16 2. Work in coordination with the Office of Economic 17 Development to establish criteria and goals for workforce 18 development and diversification in this State. Collect and systematize and present in biennial 19 3. 20 reports to the Governor and the Legislature such statistical 21 details relating to workforce development in the State as the 22 Executive Director of the Office may deem essential to further the objectives of the Office of Workforce Innovation. 23 24 At the direction of the Governor: 4. 25 (a) Identify, recommend and implement policies related to 26 workforce development. (b) Define career pathways and identify priority career 27 28 pathways for secondary and postsecondary education. 29 (c) Discontinue career pathways offered by the State 30 which fail to meet minimum standards of quality, rigor and 31 cross-education alignment, or that do not demonstrate a 32 connection to priority industry needs. 33 (d) In consultation with the Governor's Workforce Development Board, identify industry-recognized credentials, 34 35 workforce development programs and education. (e) Maintain and oversee the statewide longitudinal data 36 system that links data relating to early childhood education 37 programs and K-12 public education with data relating to 38 postsecondary education and the workforce in this State. 39 (f) Collect accurate educational data in the statewide 40 41 longitudinal data system for the purpose of analyzing student performance through employment to assist in improving the 42 43 educational system and workforce training program in this 44 State.





(g) Apply for and administer grants, including, without 1 2 limitation, those that may be available from funding reserved 3 for statewide workforce investment activities. 4 (h) Review the status and structure of local workforce 5 investment areas in the State, in coordination with the 6 Governor and the Governor's Workforce Development 7 Board. 8 (i) Report periodically to the Governor's Workforce Development Board concerning the administration of the 9 10 policies and programs of the Office of Workforce Innovation. (j) On or before March 31 of each year, submit to the 11 Governor a complete report of the activities, discussions, 12 13 findings and recommendations of the Office of Workforce 14 Innovation. 15 (k) Oversee the State Apprenticeship Council and the 16 State Apprenticeship Director pursuant to NRS 610.110 to 17 610.185, inclusive, and perform such other functions as may 18 be necessary for the fulfillment of the intent and purposes of chapter 610 of NRS. 19 (1) Suggest improvements regarding the allocation of 20 federal and state money to align workforce training and 21 22 related education programs in the State, including, but not 23 limited to, career and technical education. (m) On or before January 1 of each year, collect and 24 25 analyze data as needed to create a written report for the purposes of this paragraph, and submit such a report to the 26 Director of the Legislative Counsel Bureau. The report 27 must include, without limitation: 28 29 (1) Statistical data based on an analysis of the 30 number of persons within this State who are engaged in an 31 occupation or profession that is regulated by a regulatory body in relation to the total population of this State or any 32 33 geographic area within this State; (2) The demand within this State or any geographic 34 35 area within this State for the types of services provided by persons within this State who are engaged in an occupation 36 37 or profession that is regulated by a regulatory body; and (3) Any other factors relating to the types of services 38 provided by persons within this State who are engaged in 39 an occupation or profession that is regulated by a 40 41 regulatory body that adversely affect public health or 42 safetv. As used in this paragraph, "regulatory body" has the 43 44 meaning ascribed to it in NRS 622.060.





1 **Sec. 10.** The provisions of section 4 of this act apply only to 2 time served as a member of a regulatory body pursuant to an 3 appointment made after the effective date of this act.

4 Sec. 11. The provisions of section 5 of this act do not apply to 5 an agreement between a regulatory body and an attorney or law firm 6 entered into before the effective date of this act, but do apply to any 7 renewal or extension of such an agreement.

8 Sec. 12. The provisions of subsection 1 of NRS 218D.380 do 9 not apply to any provision of this act which adds or revises a 10 requirement to submit a report to the Legislature.

11 Sec. 13. A regulatory body that is required to adopt 12 regulations pursuant to section 3 of this act shall adopt such 13 regulations not later than February 1, 2018.

14 Sec. 14. 1. This section and sections 1 to 8, inclusive, and 10 15 to 13, inclusive, of this act become effective upon passage and 16 approval.

17 2. Section 9.5 of this act becomes effective on July 1, 2017, if 18 and only if Senate Bill No. 516 of this session is enacted by the 19 Legislature and approved by the Governor.

3. Section 9 of this act becomes effective on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to
 a proceeding to determine the paternity of a child or to establish or
 enforce an obligation for the support of a child; or

(b) Are in arrears in the payment for the support of one or morechildren,

 $30 \rightarrow$ are repealed by the Congress of the United States.



