

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.

AN ACT relating to regulatory bodies; authorizing the Governor to issue an executive order directing a regulatory body to expedite action on pending applications for licensure; requiring certain regulatory bodies to adopt regulations governing the issuance of a license by endorsement to a 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; 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:

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 2 of this bill provides that if the Governor determines that there are critical unmet needs with regard to the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body, the Governor may, by executive order, direct the regulatory body to take final action on all completed applications for licensure in its possession within the time specified by the executive order.

Section 3 of this bill requires a regulatory body that is not otherwise authorized or required by specific statute to issue a license to engage in an occupation or profession in this State to a 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 person who: (1) holds a corresponding valid and unrestricted license to engage in that occupation or profession in the District of Columbia or any state or territory of the United States; (2) possesses qualifications that are substantially similar to the qualifications required for issuance of a license to engage in that occupation or profession in this State; and (3) satisfies certain other requirements.

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

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.

Existing law requires a regulatory body to exercise its authority over an occupation or profession for the protection and benefit of the public. (NRS 622.080) **Section 6** of this bill requires a regulatory body also to exercise its authority over the occupation or profession for the expansion of economic opportunity, promotion of competition and encouragement of innovation. **Section 6** also imposes certain limitations on the manner in which a regulatory body may exercise its authority over an occupation or profession.

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.



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

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

Sec. 2. *If the Governor determines that there are critical unmet needs with regard to the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body, the Governor may, by executive order, direct the regulatory body to take final action on all completed applications for licensure in the possession of the regulatory body within the time specified by the executive order.*

Sec. 3. 1. *Except as otherwise provided by specific statute, a regulatory body shall adopt regulations providing for the issuance of a license by endorsement to engage in an occupation or profession in this State to any person who:*

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

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

(c) Satisfies the requirements of this section and the regulations.

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



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

(b) Has not been disciplined or investigated by the corresponding regulatory authority of the District of Columbia or any state or territory in which the applicant currently holds or has held 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;

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

(h) 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

(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) 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;

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

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

4. Not later than 15 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:

(a) Thirty days after receiving the application; or

(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, 10 days after the regulatory body receives the report,

↳ whichever occurs later.

5. A license by endorsement to engage in an occupation 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.

Sec. 4. Notwithstanding any other provision of law, a person may not be appointed as a member of a regulatory body if the person has served as a member of that regulatory body, or at the expiration of his or her current term if he or she is so serving will have served, 12 years or more at the time of his or her appointment.

Sec. 5. 1. Notwithstanding the provisions of NRS 228.111 to 228.1118, inclusive, and any other provision of law, a regulatory body shall not employ, retain or otherwise contract with 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.

Sec. 6. NRS 622.080 is hereby amended to read as follows:

622.080 *1.* In regulating an occupation or profession pursuant to this title, each regulatory body shall carry out and enforce the provisions of this title for the ~~protection~~:

(a) Protection and benefit of the public ~~H~~;

(b) Expansion of economic opportunity;

(c) Promotion of competition; and

(d) Encouragement of innovation.

2. If a regulatory body finds it necessary to take action that may limit or reduce competition in an occupation or profession that it is authorized to regulate, the regulatory body shall select the regulatory action that limits or reduces such competition no more than is necessary to protect the public from present, significant and substantiated harms that threaten public health and safety.

3. A regulatory body shall not enforce a law or regulation against a person except to the extent that the person engages in conduct that is expressly included in a statute that establishes the authorized scope of practice of the occupation or profession.

4. Each regulatory body that issues a license by endorsement to engage in an occupation or profession in this State to a person who holds a corresponding valid and unrestricted license to engage in that occupation or profession in the District of Columbia or any state or



territory of the United States shall ensure that its process of issuing such licenses is conducted with the highest possible levels of efficiency and transparency.

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 regulatory body during the immediately preceding calendar quarter against any licensee of the regulatory body; and

(b) A report that includes:

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

(I) The number of licenses issued by the regulatory body ~~during the immediately preceding calendar quarter;~~ ;

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

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

(IV) 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;

(V) 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

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



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

2. The Director shall:

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

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

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

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

Sec. 8. NRS 228.1111 is hereby amended to read as follows:

228.1111 1. ~~The~~ *Subject to the limitations of section 5 of this act, the* Attorney General or any other officer, agency or employee in the Executive Department of the State Government shall not enter into a contingent fee contract unless:

(a) The Governor, in consultation with the Attorney General, has determined in writing:



(1) That the Attorney General lacks the resources, skill or expertise to provide representation in the matter that is the subject of the proposed contract; and

(2) That representation pursuant to a contingent fee contract is cost-effective and in the public interest; and

(b) The proposed contract complies with the requirements of NRS 228.111 to 228.1118, inclusive.

2. Before entering into a contingent fee contract, the Attorney General or other officer, agency or employee, as applicable, must obtain approval from the Interim Finance Committee to commit money for that purpose.

Sec. 9. Section 3 of this act is hereby amended to read as follows:

Sec. 3. 1. Except as otherwise provided by specific statute, a regulatory body shall adopt regulations providing for the issuance of a license by endorsement to engage in an occupation or profession in this State to any person who:

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

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

(c) Satisfies the requirements of this section and the regulations.

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



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

(b) Has not been disciplined or investigated by the corresponding regulatory authority of the District of Columbia or any state or territory in which the applicant currently holds or has held 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; *and*

(g) Pays any applicable fees for the issuance of a license that are otherwise required for a person to obtain a license in this State . ~~f;~~ *and*

~~(h) 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

(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) 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;

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

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

4. Not later than 15 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:

(a) Forty-five days after receiving the application; or

(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, 10 days after the regulatory body receives the report,

↳ whichever occurs later.

5. A license by endorsement to engage in an occupation 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.

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

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

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

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

2. 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 more children,

↪ are repealed by the Congress of the United States.

