

Senate Bill No. 69–Committee on
Commerce, Labor and Energy

CHAPTER.....

AN ACT relating to state government; 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; revising provisions relating to 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 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 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 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, 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 and sets certain limitations on the amount of the fee that may be paid to an attorney or law firm retained in any matter that is the subject of a contingent fee contract. (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. **Section 8.5** of this bill revises the limitations on the amount of the fee that attorneys or law firms retained in any matter that is the subject of a contingent fee contract may be paid.

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. 516 of this session requires the Governor to appoint the Executive Director of the Office of Workforce Innovation. **Section 9.5** of this bill requires the Executive Director of the Office of Workforce Innovation, on or before January 1 of each year, to submit to the Director of the Legislative Counsel Bureau a written report that includes: (1) the number of persons in this State who are engaged in an occupation or profession that is regulated by a regulatory body; and (2) the demand for the services of such persons engaged in such a regulated occupation or profession.

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

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. (Deleted by amendment.)

Sec. 3. 1. *Except as otherwise provided by specific statute relating to the issuance of a license by endorsement, 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 natural 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 adopted pursuant thereto.

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 natural person unless such a 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 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 natural person to obtain a license in 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

(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

(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:

(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

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

↳ 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.

6. A regulatory body may deny an application for 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.

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

Sec. 4. *1. Except as otherwise provided in subsection 2, 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.*

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

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. (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 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.

Secs. 7.3 and 7.6. (Deleted by amendment.)

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. 8.5. NRS 228.1116 is hereby amended to read as follows:

228.1116 1. ~~Except as otherwise provided in subsection 2, a retained attorney or law firm is not entitled to a fee, exclusive of any costs and expenses described in that subsection, of more than:~~

~~—(a) Fifteen percent of that portion of any amount recovered of less than \$10,000,000;~~

~~—(b) Ten percent of that portion of any amount recovered of \$10,000,000 or more but less than \$15,000,000;~~

~~—(c) Five percent of that portion of any amount recovered of \$15,000,000 or more but less than \$20,000,000; and~~

~~—(d) Two percent of that portion of any amount recovered of \$20,000,000 or more.~~

~~2.]~~ The total fee payable to all retained attorneys or law firms in any matter that is the subject of a contingent fee contract must not exceed ~~[\$10,000,000,]~~ *25 percent of the amount recovered*, exclusive of any costs and expenses provided for by the contract and actually incurred by the retained attorneys or law firms, regardless of the number of actions or proceedings or the number of retained attorneys or law firms involved in the matter.

~~3.]~~ 2. A contingent fee:

(a) Is payable only from money that is actually received pursuant to a judgment or settlement agreement.

(b) Must not be based on any amount attributable to a fine or civil penalty, but may be based on an amount attributable to punitive damages.

~~4.]~~ 3. As used in this section, “amount recovered” does not include any money paid as costs.

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

Sec. 3. 1. Except as otherwise provided by specific statute relating to the issuance of a license by endorsement, 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 natural 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 adopted pursuant thereto.

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 natural person unless such a 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 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 natural person to obtain a 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. ~~f; 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

(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:

(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

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

↳ 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.

6. A regulatory body may deny an application for 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.

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

Sec. 9.5. Section 20 of Senate Bill No. 516 of this session is hereby amended to read as follows:

Sec. 20. The Executive Director of the Office of Workforce Innovation shall:

1. Provide support to the Office of the Governor, the Governor's Workforce Development Board created by NRS 232.935 and the industry sector councils established by the Governor's Workforce Development Board on matters relating to workforce development.

2. Work in coordination with the Office of Economic Development to establish criteria and goals for workforce development and diversification in this State.

3. Collect and systematize and present in biennial reports to the Governor and the Legislature such statistical



details relating to workforce development in the State as the Executive Director of the Office may deem essential to further the objectives of the Office of Workforce Innovation.

4. At the direction of the Governor:

(a) Identify, recommend and implement policies related to workforce development.

(b) Define career pathways and identify priority career pathways for secondary and postsecondary education.

(c) Discontinue career pathways offered by the State which fail to meet minimum standards of quality, rigor and cross-education alignment, or that do not demonstrate a connection to priority industry needs.

(d) In consultation with the Governor's Workforce Development Board, identify industry-recognized credentials, workforce development programs and education.

(e) Maintain and oversee the statewide longitudinal data system that links data relating to early childhood education programs and K-12 public education with data relating to postsecondary education and the workforce in this State.

(f) Collect accurate educational data in the statewide longitudinal data system for the purpose of analyzing student performance through employment to assist in improving the educational system and workforce training program in this State.

(g) Apply for and administer grants, including, without limitation, those that may be available from funding reserved for statewide workforce investment activities.

(h) Review the status and structure of local workforce investment areas in the State, in coordination with the Governor and the Governor's Workforce Development Board.

(i) Report periodically to the Governor's Workforce Development Board concerning the administration of the policies and programs of the Office of Workforce Innovation.

(j) On or before March 31 of each year, submit to the Governor a complete report of the activities, discussions, findings and recommendations of the Office of Workforce Innovation.

(k) Oversee the State Apprenticeship Council and the State Apprenticeship Director pursuant to NRS 610.110 to 610.185, inclusive, and perform such other functions as may be necessary for the fulfillment of the intent and purposes of chapter 610 of NRS.



(l) Suggest improvements regarding the allocation of federal and state money to align workforce training and related education programs in the State, including, but not limited to, career and technical education.

(m) On or before January 1 of each year, collect and analyze data as needed to create a written report for the purposes of this paragraph, and submit such a report to the Director of the Legislative Counsel Bureau. The report must include, without limitation:

(1) Statistical data based on an analysis of the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body in relation to the total population of this State or any geographic area within this State;

(2) The demand within this State or any geographic area within this State for the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body; and

(3) Any other factors relating to the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body that adversely affect public health or safety.

↳ As used in this paragraph, “regulatory body” has the meaning ascribed to it in NRS 622.060.

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. 1. 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.

2. The provisions of section 8.5 of this act do not apply to a contingent fee contract entered into before the effective date of this act, but do apply to any renewal or extension of such a contingent fee contract. As used in this subsection, “contingent fee contract” has the meaning ascribed to it in NRS 228.111.

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 8.5, inclusive, and 10 to 13, inclusive, of this act become effective upon passage and approval.

2. Section 9.5 of this act becomes effective on July 1, 2017, if and only if Senate Bill No. 516 of this session is enacted by the 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 more children,

↪ are repealed by the Congress of the United States.



