

**ADOPTED REGULATION OF THE DIRECTOR OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R074-25

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

AUTHORITY: §§ 1-21, NRS 232.8413.

A REGULATION relating to professional and occupational licensing boards; defining certain terms relating to the regulation of professional and occupational licensing boards; setting forth certain standards for each board relating to recordkeeping, officers of the board and attendance at board meetings; establishing certain requirements relating to the training of board members; establishing certain standards for the internal controls of a board; establishing certain requirements for the Internet website of a board; establishing certain requirements for a board relating to certain bills during a legislative session; authorizing a board to publish certain information for the public; setting forth certain standards relating to complaints to and investigations by or on behalf of a board; requiring a board to provide certain information to the Office of Nevada Boards, Commissions and Councils Standards within the Department of Business and Industry; providing for the Office to conduct performance evaluations of a board; providing for the Office to issue certain recommendations relating to a board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Office of Nevada Boards, Commissions and Councils Standards within the Department of Business and Industry and charges the Office with certain duties relating to the regulation of professional and occupational licensing boards, including: (1) centralized administration; (2) establishing a uniform set of standards for investigations, licensing and discipline, internal controls and legal representation; (3) establishing a consistent set of structural standards for boards and commissions; (4) transparency and consumer protection; and (5) efficacy and efficiency. Existing law requires the Director of the Department to adopt regulations and procedures to administer the responsibilities of the Office. (NRS 232.8413, 232.8415) **Sections 3-10** of this regulation define certain terms relating to the regulation of professional and occupational licensing boards. **Section 2** of this regulation applies these definitions to the provisions of this regulation.

Section 11 of this regulation establishes certain structural standards for each board to: (1) maintain certain centralized records relating to each seat on the board, the board members filling those seats, and the terms of the board members serving on the board; and (2) elect or appoint officers of the board. **Section 11** also sets forth certain attendance requirements for board members at meetings.

Section 12 of this regulation requires: (1) the executive director of each board to notify board members of certain training requirements and when such training is offered; and (2) the board to notify the Office that a board member has successfully completed such training.

Section 13 of this regulation requires each board to establish certain standards for internal controls, including: (1) developing and implementing a budget; (2) maintaining and protecting information in the records of the board in a certain manner; (3) complying and cooperating with all statutory and regulatory reporting and auditing requirements; and (4) taking certain actions to respond to audits that recommend corrective action.

Section 14 of this regulation requires each board to maintain a publicly accessible Internet website of the board, which includes certain information and meets certain requirements.

Section 15 of this regulation requires each board to: (1) track bills during a regular or special legislative session which may impact the operations of or licensees regulated by the board; (2) report certain information to the Office relating to such bills; and (3) take certain steps to implement bills which became law.

Section 16 of this regulation authorizes a board to publish certain materials to inform the public of information relating to the board and licensees of the board.

Section 17 of this regulation sets forth certain requirements relating to complaints to and investigations conducted by or on behalf of a board. **Section 18** of this regulation requires a board to provide certain quarterly information to the Office relating to complaints, investigations, disciplinary actions, licensees and other board operations.

Section 19 of this regulation requires a board to submit certain financial information to the Office on a quarterly and annual basis.

Section 20 of this regulation requires the Office to evaluate the performance of each board using the reports and other information required to be submitted to the Office.

Section 21 of this regulation provides that if the Office identifies: (1) certain concerns with a board, the Office may provide the board with written recommendations to address such concerns; or (2) certain conduct of a board member that may constitute malfeasance or nonfeasance, the Office may refer the board member to the Governor for possible removal.

Section 1. Chapter 232 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 21, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 21, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 10, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Board” means any professional or occupational licensing body, including, without limitation, a board, commission or council, that has been created by the Legislature and which is under the purview of the Office.*

Sec. 4. *“Board member” means a person appointed to serve on a board.*

Sec. 5. *“Disciplinary action” means any final action taken by a board against a licensee, including, without limitation, a public reprimand, probation, a fine, the suspension or revocation of a license or the voluntary surrender of a license in lieu of discipline.*

Sec. 6. *“Executive director” means a person appointed or employed by a board to oversee the daily operations of the board.*

Sec. 7. *“License” means any professional or occupational authorization, including, without limitation, a license, permit, registration or certificate, that is issued by a board.*

Sec. 8. *“Licensee” means any person who holds a license issued by a board.*

Sec. 9. *“Office” means the Office of Nevada Boards, Commissions and Councils Standards within the Department.*

Sec. 10. *“Purview” means administrative oversight.*

Sec. 11. 1. *For the purposes of establishing a consistent set of structural standards pursuant to NRS 232.8415:*

(a) Each board shall:

(1) Maintain a centralized record of:

(I) Each seat on the board, including, without limitation, whether the seat is required by statute to represent certain interests or to serve a certain role;

(II) Each board member who is filling a seat on the board; and

(III) The terms of each board member, including, without limitation, the date on which each term begins and expires.

(2) Elect or appoint the officers of the board in accordance with the applicable statutes and regulations governing the board. Except as otherwise provided by specific statute or

regulation adopted by the board, the board shall elect the officers of the board on an annual basis.

(b) Board members are required to attend and participate in meetings of the board. If, within a 12-month period, a board member has three or more consecutive unexcused absences or has unexcused absences from 50 percent or more of the meetings of the board, the board member has failed to meet this attendance requirement and the board or the Office may submit a recommendation to the Governor for the removal of the board member pursuant to NRS 232A.030.

2. As used in this section, “unexcused absence” means an absence that is not:

(a) Caused by illness, family emergency or other extenuating circumstance;

(b) Approved by the chair of the board; or

(c) Otherwise authorized by statute.

Sec. 12. *1. The executive director of each board shall notify the board members of any training that the board members are required to complete pursuant to NRS 622.200 and when such training will be offered.*

2. Not more than 30 days after a board member successfully completes any training required pursuant to NRS 622.200, the board shall provide written notice to the Office, in a format prescribed by the Office, confirming that the board member has successfully completed the required training.

Sec. 13. *For the purpose of establishing a uniform set of standards for internal controls pursuant to NRS 232.8415, each board shall:*

1. Develop a budget for the board and monitor the implementation of the budget.

2. *Maintain any information in the records of the board relating to licensees, finances and complaints in a manner that ensures the information is accurate, complete and verifiable.*

3. *Protect the confidential and personally identifiable information in the records of the board.*

4. *Comply and cooperate with all reporting and auditing requirements:*

(a) Set forth by any applicable statute or regulation, including, without limitation, the governing statutes of the board and the requirements of title 54 of NRS or NRS 218G.400, 331.110, 333.705 or 622.100; or

(b) Established by any state entity authorized to conduct audits or require reports pursuant to any applicable statute or regulation, including, without limitation, the Legislative Auditor or the Budget Division of the Office of Finance,

↪ in a timely and accurate manner and in accordance with any deadline set forth in statute or regulation or established by the applicable state entity.

5. *Respond to all audits of the board that are required or authorized by statute or conducted by a state entity that is authorized to conduct audits of the board pursuant to statute. Except as otherwise provided by specific statute, each board shall, not more than 90 days after receiving a final written report of an audit that recommends corrective action:*

(a) Prepare a written plan for corrective action that addresses all recommendations for the corrective action; and

(b) Submit evidence to the auditing entity that the corrective action set forth in the written plan prepared pursuant to paragraph (a) has been taken.

Sec. 14. 1. *Each board shall maintain a publicly accessible Internet website of the board which is accessible to persons with disabilities, including, without limitation, persons*

who are blind or visually impaired, and, in addition to any other information required by statute or regulation of the board, post on the Internet website of the board:

(a) A citation and link to the enabling statutes of the board and any regulations adopted by the board, including, without limitation, emergency regulations, temporary regulations and permanent regulations of the board which have been adopted and filed with the Secretary of State pursuant to chapter 233B of NRS but not yet codified in the Nevada Administrative Code.

(b) The mission statement of the board.

(c) For all current board members:

(1) The name of each board member;

(2) If the board member was appointed to represent certain interests or serve a certain role that is required by statute, the interests or role which the board member represents or serves; and

(3) The dates on which the term of each board member begins and expires.

(d) The name and title of the executive director of the board.

(e) The contact information for the board, including, without limitation, the electronic mailing address, mailing address, physical address and telephone number for the board.

(f) Any upcoming meeting of the board or a subcommittee of the board, which must include, without limitation, the date, time, location, agenda, when available, and any other information required for notice of an upcoming meeting pursuant to NRS 241.020 or 622.340, as applicable.

(g) An archive consisting of all agendas and minutes of meetings of the board prepared pursuant to NRS 241.035 for a period of not less than the immediately preceding 5 years. All

other agendas and minutes of meetings of the board outside of such 5-year period must be made available upon request in accordance with the provisions of chapter 239 of NRS.

(h) Clear instructions for applying for initial licensure, renewing a license and the reinstatement of a license and any applicable deadlines set forth in statute or regulation for applying for, renewing or reinstating a license.

(i) A system for verifying licenses, which must be accessible from the homepage of the Internet website with one click and, for each licensee, must include, without limitation, the full name of the licensee, the type and status of the license, the license number, the date of issuance and the date of expiration of the license and a yes-or-no-indication of whether the licensee has any history of disciplinary actions.

(j) A system for reviewing the history of disciplinary actions of a licensee, which must:

- (1) Be accessible from the homepage of the Internet website;*
- (2) Be searchable;*
- (3) Be updated not more than 15 days after any new disciplinary action is finalized;*
- (4) Include, without limitation, the full name of the licensee, the type and status of the license, the license number of the licensee, the type of disciplinary action and the date of the disciplinary action; and*

(5) Unless otherwise declared confidential by statute or court order, provide access to the final order or settlement agreement for any disciplinary action issued in the immediately preceding 5 years. All other final orders or settlement agreements for any disciplinary action not otherwise declared confidential outside of the immediately preceding 5-year period must be made available upon request in accordance with the provisions of chapter 239 of NRS.

(k) Clear instructions on how to file a complaint with the board, accompanied by forms that may be downloaded for filing a complaint or an online system on the Internet website that enables a person to file a complaint electronically.

(l) A copy of the most recent quarterly update submitted to the Office pursuant to section 19 of this regulation and a copy of all financial audits or balance sheets filed pursuant to NRS 218G.400 within the immediately preceding 5 years.

(m) A copy of any review, evaluation, report or audit of the board conducted or prepared within the immediately preceding 5 years by or on behalf of:

- (1) The Sunset Committee of the Legislature;*
- (2) The Division of Internal Audits of the Office of Finance;*
- (3) The Fiscal Analysis Division of the Legislative Counsel Bureau; or*
- (4) Any other entity authorized by statute to conduct or prepare a review, evaluation report or audit of the board.*

(n) A link to the Internet website of the Office which must be accessible from the homepage of the Internet website of the board.

(o) Any other report required to be published by statute or submitted annually by the board.

(p) Any performance data prepared by the board.

2. The Internet website of each board must comply with any applicable regulations, policies, standards and guidelines adopted by the Chief Information Officer of the Governor's Technology Office within the Office of the Governor pursuant to NRS 242.111 and 242.115.

3. As used in this section:

(a) "Emergency regulation" has the meaning ascribed to it in NRS 233B.033.

(b) “Performance data” means information or metrics prepared by a board to measure or report on the operations, workload or compliance with the statutory duties of the board, including, without limitation, data or metrics prepared by the board during the ordinary course of business or that is required by statute or regulation.

(c) “Permanent regulation” has the meaning ascribed to it in NRS 233B.036.

(d) “Temporary regulation” has the meaning ascribed to it in NRS 233B.0385.

Sec. 15. 1. *During each regular or special legislative session, each board shall track any bills introduced in the Legislature which may impact the operations of or licensees regulated by the board.*

2. Not later than 60 days after the adjournment of each regular or special legislative session, each board shall submit a report to the Office, in a format prescribed by the Office, identifying, for each bill tracked pursuant to subsection 1:

(a) The bills tracked by the board and whether the bills became law;

(b) The potential impact of each bill on the operations of or licensees regulated by the board;

(c) Any actions required by the board to implement any bills which became law during the legislative session; and

(d) The estimated timeline for the board to implement any bills which became law during the legislative session.

3. *For any bill tracked by the board pursuant to subsection 1 for which a board is required to take action to implement, the board shall:*

(a) Update the regulations of the board consistent with the bill;

(b) Ensure that the bank accounts and the records of the board are consistent with the requirements of the bill; and

(c) Notify the Office, in a format prescribed by the Office, once the board has implemented the bill.

Sec. 16. To provide outreach and education to the public, each board may publish newsletters, alerts or bulletins to inform the public of the activities of the board, professional standards of and ethical requirements for the licensees regulated by the board, the rights of the public and the procedures for reporting the misconduct of a licensee to the board.

Sec. 17. 1. To ensure transparency and access to the public, each board shall make available to any person who wishes to file a complaint with the board a form for filing the complaint or a method to file the complaint electronically.

2. When responding to a complaint filed with a board, the board shall comply with all requirements for confidentiality.

3. Before initiating an investigation, a board shall determine whether a complaint falls within the jurisdiction of the board.

4. For any matter under an investigation conducted by or on behalf of a board, the file of the complaint documenting the investigation must include, without limitation:

(a) Any statutory or regulatory deadlines applicable to the investigation and resolution of the complaint by the board;

(b) Whether the board met all the deadlines identified pursuant to paragraph (a); and

(c) If the board did not meet a deadline identified pursuant to paragraph (a), the reason the board did not meet the deadline.

5. For the purposes of subsection 4, the steps of an investigation may include, without limitation, the receipt or acknowledgment of a complaint, the issuance of a notice to a licensee, the determination of reasonable doubt, the filing of a formal complaint, the scheduling of a hearing and the issuance of a final decision by the board.

6. Upon the request of the Office and to the extent permitted by law, a board shall provide to the Office any files, documents, data or other information relating to an investigation conducted by the board, including, without limitation, any disciplinary action instituted as a result of an investigation.

Sec. 18. *On or before the 20th day of January, April, July and October, each board shall submit to the Office, in a format prescribed by the Office:*

1. All information required to be submitted to the Director of the Legislative Counsel Bureau pursuant to NRS 622.100. A board may submit a copy of the report submitted to the Director of the Legislative Counsel Bureau pursuant to NRS 622.100 to satisfy this requirement.

2. A summary of all complaints filed with the board during the immediately preceding calendar quarter, which must include, without limitation:

(a) All complaints received, pending and resolved by the board for the calendar quarter; and

(b) The number of complaints resolved by the board at each stage of the process for resolving a complaint, consistent with the statutory procedures of the board.

3. Any other information requested by the Office that is reasonably related to the administrative, fiscal or investigative operations of the board.

Sec. 19. 1. All money in the possession of a board must be deposited and used in accordance with any applicable statutes governing the board.

2. On or before December 1 of each year, each board shall submit to the Office:

(a) A copy of the balance sheet or the report of an audit, as applicable, required to be filed with the Legislative Auditor and the Chief of the Budget Division of the Office of Finance pursuant to NRS 218G.400; and

(b) A form, in the format prescribed by the Office, summarizing the information provided pursuant to paragraph (a), which must include, without limitation:

(1) The total revenue of the fiscal year;

(2) The total expenditures of the board at the end of the fiscal year;

(3) The cash balances of the board at the end of the fiscal year;

(4) A statement from the board identifying any significant financial or structural concerns identified by the board; and

(5) A review of the adequacy of the existing fees which the board is authorized to charge under statute.

3. Not later than 30 days after the close of each fiscal quarter, each board shall submit to the Office a quarterly update summarizing the finances of the board for that fiscal quarter, in a format prescribed by the Office, which must include, without limitation:

(a) The total revenue of the board at the end of the fiscal quarter;

(b) The total expenditures of the board at the end of the fiscal quarter; and

(c) The cash balances of the board at the end of the fiscal quarter.

Sec. 20. 1. The Office shall evaluate the performance of each board using the reports and information submitted to the Office pursuant to sections 2 to 21, inclusive, of this

regulation to assess the administrative efficiency, internal controls, transparency, responsiveness to the public and compliance with statutory reporting requirements of a board.

2. If the Office identifies any issues during a performance evaluation conducted pursuant to subsection 1, the Office shall notify the board in writing and the board shall have 60 days to submit a written response addressing the issues identified by the Office. The Office shall evaluate the written response of the board, if any, before completing the performance evaluation of the board. The Office is not required to modify its findings or conclusions based on the written response of the board.

3. After completing a performance evaluation conducted pursuant to subsection 1, the Office may issue written recommendations to a board pursuant to section 21 of this regulation.

4. Nothing in this section shall be construed to authorize the Office to direct the financial or operational activities of a board or to require a board to take corrective action beyond what is required by statute.

Sec. 21. *1. If the Office identifies concerns regarding the compliance of a board with the requirements of statute or with the administrative practices, internal controls or reporting compliance of the board, the Office shall provide the board with written recommendations to promote improved performance, administrative consistency or compliance with statutory and regulatory requirements.*

2. Not more than 60 days after receiving written recommendations provided pursuant to subsection 1, a board shall review such recommendations and provide the Office with a written response describing the actions the board intends to take to address the written recommendations of the Office, if any.

3. If the Office identifies any conduct by a board member in the performance of his or her duties that may constitute malfeasance or nonfeasance, including, without limitation, neglect of duty, incompetence or inefficiency, the Office may refer such conduct to the Governor to consider whether the board member should be removed from the board pursuant to NRS 232A.030.