ASSEMBLY BILL NO. 291–ASSEMBLYMEN PARKS, ATKINSON, CLABORN, GOICOECHEA, GRADY, HARDY, KIRKPATRICK, MUNFORD, PARNELL AND PIERCE (BY REQUEST)

MARCH 21, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes relating to regulation of talent agencies. (BDR 53-1260)

FISCAL NOTE: Effect on Local Government: Increases or Newly
Provides for Term of Imprisonment in County or City
Jail or Detention Facility.
Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to employment agencies; requiring the licensing and regulation of talent agencies; prohibiting a talent agency from harassing a person placed for employment by another agency; requiring a talent agency to include certain provisions in a contract for employing talent; requiring a talent agency to pay wages owed to talent within a certain number of days; providing a limit on the fee a talent agency may charge for placing a person in employment; providing a penalty; and providing other matters properly relating thereto.

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

- **Section 1.** Chapter 611 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A talent agency and its agents and employees shall not harass a person placed for employment by another talent agency.

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5 2. The Labor Commissioner shall define by regulation the 6 practices that constitute harassment for the purposes of this 7 section.



- **Sec. 2.** NRS 611.020 is hereby amended to read as follows:
- 611.020 As used in NRS 611.020 to 611.320, inclusive [:] and section 1 of this act:
- "Babysitting" means employment to care for children during a short absence of the parents or guardian.
- "Booking" means an employment opportunity for talent, including, without limitation, motion pictures, theater, television, radio, circus, photographs, conventions, narration, spokesman, demonstrator of products or any other kind of performance, entertainment or exhibition.
- 3. "Employment agency" means any person who, for a fee, commission or charge:
- (a) Furnishes information to a person seeking employment enabling or tending to enable him to secure employment;
- (b) Furnishes information to a person seeking employees enabling or tending to enable him to obtain employees; or
- (c) Maintains a record of persons seeking employment or employees.
- → "Employment agency" does not include a talent agency, a recognized labor union, an employer who procures his own employees or an employee who procures other employees for his employer only.
- [3.] 4. "Gross cash wage" means wages and salary, an allocation for lodging if lodging is furnished in the employment agreement, commissions paid and any other supplemental compensation, excluding tips and bonuses.
- [4.] 5. "Labor Commissioner" means the Labor Commissioner of the State of Nevada.
- "Talent" means an independent contractor working as an actor, actress, model, performance artist or entertainer, as an individual or as a group, who renders professional service for motion pictures, theater, television, radio, circus, photographs or conventions, or who provides narration or serves as a spokesman or demonstrator of products, or who renders any other kind of performance, entertainment or exhibition. The term does not include a prostitute or a person who works in a hotel or casino which procures its own booking for talent.
- "Talent agency" means any person who, with or without a fee, commission or charge to any person, engages in the occupation of procuring, or offering or attempting to procure, bookings for talent, whether the booking originates within this State or outside this State. The term does not include a house of prostitution or a hotel or casino which procures its own booking for talent.

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Sec. 3. NRS 611.023 is hereby amended to read as follows:

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- 611.023 The Labor Commissioner shall administer the provisions of NRS 611.020 to 611.320, inclusive, and section 1 of this act, and may adopt reasonable regulations to carry out the purposes of these sections.
 - **Sec. 4.** NRS 611.025 is hereby amended to read as follows:
- 1. The Labor Commissioner or his designee may 611.025 conduct hearings in the performance of his duties as set forth in NRS 611.020 to 611.320, inclusive, and section 1 of this act, and may:
- (a) Issue subpoenas for the attendance of witnesses and for the production of papers; and
 - (b) Administer oaths, examine witnesses and take testimony.
- If any person fails to comply with any subpoena or order lawfully issued by the Labor Commissioner or his designee or to testify to any matter regarding which the person may be lawfully interrogated, the district court, upon application of the Labor Commissioner or his designee, shall compel obedience to the subpoena or order or require the testimony by proceedings for contempt.
 - **Sec. 5.** NRS 611.030 is hereby amended to read as follows:
- 611.030 1. A person shall not open, keep, operate or maintain an employment agency or talent agency in this State without first obtaining a license therefor [as provided in NRS 611.020 to 611.320, inclusive, from the Labor Commissioner.
- 2. No employment agency or talent agency may solicit any employer in this State and refer or place any person for employment with [such] the employer or otherwise do business in this State unless such the employment agency or talent agency has obtained a license from the Labor Commissioner under the provisions of NRS 611.045.
- 32 Any person who opens, keeps, operates or maintains an 33 employment agency or talent agency without first procuring a 34 license is guilty of a misdemeanor.
 - **Sec. 6.** NRS 611.040 is hereby amended to read as follows:
- 611.040 1. A written application for a license to conduct a private employment agency or talent agency in this State must be made to the Labor Commissioner and must contain: 38
 - (a) The name and address of the applicant;
 - (b) The street and number of the building or place where the business is to be conducted; and
 - (c) The business or occupation in which the applicant was engaged for at least 2 years immediately preceding the date of the application.
 - 2. The application must be accompanied by:



- (a) Affidavits of at least two reputable residents of this State stating that the applicant is a person of good moral character; and
 - (b) Proof that the applicant is a resident of this State.

- **Sec. 7.** NRS 611.045 is hereby amended to read as follows:
- 611.045 1. The Labor Commissioner may issue a license to an applicant for the conduct of an employment agency : or talent agency:
- (a) After making an investigation of the applicant and finding that he is of good moral character and has not been convicted of a felony relating to the conduct of an employment agency *or talent agency* or any offense involving moral turpitude;
- (b) After making an investigation of the premises where the proposed employment agency *or talent agency* will be conducted and finding that the premises are suitable for the purpose;
- (c) Upon determining that the applicant is a resident of this State; and
- (d) Upon the applicant's payment of the licensing fee prescribed in NRS 611.060.
- 2. The Labor Commissioner shall complete his investigation of the applicant [within] not later than 60 days after [such applicant has submitted] the date on which the applicant submits his application.
- 3. A license to conduct an employment agency or talent agency is valid only as to the person and place named in the license and is effective from the date specified therein to and including the next following December 31, unless [sooner suspended or revoked.] the license is suspended, revoked or surrendered before that time.
- 4. Annually at least 15 days **[prior to] before** the expiration date of the license, the licensee must apply for renewal in the manner prescribed by regulation of the Labor Commissioner. Pending administrative action on a renewal application, the license may be continued in effect for a period not to exceed 60 days beyond the expiration date of the license.
 - **Sec. 8.** NRS 611.050 is hereby amended to read as follows:
- 611.050 1. The Labor Commissioner, upon reasonable notice and opportunity for a licensed employment agency *or talent agency* to be heard, may deny, suspend or revoke its license after finding that it has failed to comply with any provision of NRS 611.020 to 611.320, inclusive [...], *and section 1 of this act.*
- 2. When, in the opinion of the Labor Commissioner, a community is being adequately served by existing licensed employment *agencies or talent* agencies, he may deny the establishment therein of any other employment agency [...] or talent agency.



Sec. 9. NRS 611.055 is hereby amended to read as follows:

611.055 [Any] An employment agency [shall be permitted to] or talent agency may continue doing business as a licensed agency during the pendency of the proceedings for review of any final order of the Labor Commissioner.

Sec. 10. NRS 611.060 is hereby amended to read as follows:

611.060 [Every] Each person licensed under the provisions of NRS 611.020 to 611.320, inclusive, and section 1 of this act to carry on the business of an employment agency or talent agency must pay to the Labor Commissioner a fee of \$100 before the license is issued, and thereafter he must pay a fee of \$100 on or before the last day of each year to carry on the business for the following year. No fee may be refunded.

Sec. 11. NRS 611.070 is hereby amended to read as follows:

- 611.070 1. Before a license is issued, the applicant [shall] must deposit with the Labor Commissioner a bond, approved by the Labor Commissioner, in the sum of \$1,000 with two or more sureties or an authorized surety company as surety. A notice of 30 days must be given to the Labor Commissioner before cancellation of the bond.
- 2. The bond must be conditioned so that the suspension, revocation, surrender or expiration of the license to operate the employment agency *or talent agency* does not affect the coverage of the bond as to a claim arising out of acts that occurred before the date of the suspension, revocation, surrender or expiration of the license.
- 3. In lieu of a bond an applicant may deposit with the Labor Commissioner:
 - (a) An amount of money or bonds of the United States or of the State of Nevada of an actual market value not less than the amount fixed by the Labor Commissioner; or
 - (b) A savings certificate of a bank, credit union or savings and loan association situated in Nevada, which indicates an account containing an amount equal to the amount of the bond which would otherwise be required by this section and that this amount is unavailable for withdrawal except upon order of the Labor Commissioner. Interest earned on this amount accrues to the account of the applicant.
 - 4. The Labor Commissioner may at any time require the licensee to file a new or supplementary bond, or a deposit in lieu thereof, in a form and amount of not more than \$5,000 to conform to the provisions of this section if the Labor Commissioner deems the initial deposit or surety of the initial bond to be unsatisfactory or the amount of the deposit or bond to have become insufficient to satisfy all claims, accrued or contingent, against the licensee.



- 5. Any money received in lieu of a bond must be deposited with the State Treasurer for credit to the Labor Commissioner's Account for Bonds, which is hereby created in the State Agency Fund for Bonds. The deposit must not be released for a period of 90 days following the date of suspension, revocation, surrender or expiration of the license.
 - **Sec. 12.** NRS 611.080 is hereby amended to read as follows:
- 611.080 The bond [shall] must be payable to the people of the State of Nevada and [shall] must be conditioned that the person applying for the license will comply with the provisions of NRS 611.020 to 611.320, inclusive, and section 1 of this act, and shall pay all damages occasioned to any person by reason of any misstatement, misrepresentation, fraud or deceit, or any unlawful act or omission of any licensee, made, committed or omitted in the business conducted under the license, or caused by any other violation of such provisions in carrying on the business for which the license is granted.
 - **Sec. 13.** NRS 611.110 is hereby amended to read as follows: 611.110 Each license [shall] *must* contain:
 - 1. The name of the licensee.

- 2. A designation of the city, street and number of the premises at which the licensee is authorized to carry on the employment agency.
 - 3. The number and date of issuance of the license.
 - **Sec. 14.** NRS 611.130 is hereby amended to read as follows:
- 611.130 The license must be posted in a conspicuous place in the employment agency [...] or talent agency.
 - **Sec. 15.** NRS 611.135 is hereby amended to read as follows:
- 611.135 1. The Labor Commissioner may accept assignments of claims arising under NRS 611.020 to 611.320, inclusive, and section 1 of this act against employment agencies [...] or talent agencies.
- 2. The Labor Commissioner may maintain a commercial account with any bank or credit union within this State for the deposit of any money recovered for the use of such assigning claimants. The money must be promptly paid to the claimants entitled thereto. At the end of each calendar year, any unclaimed money in the commercial account which has been a part of the account for 7 years or more must be paid into the State Treasury for credit to the State General Fund.
 - **Sec. 16.** NRS 611.150 is hereby amended to read as follows:
- 611.150 When a licensee has departed from the State with intent to defraud his creditors or with intent to avoid a summons in an action brought under NRS 611.140, service [shall] must be made upon the surety as prescribed in the Nevada Justices' Courts Rules



of Civil Procedure or the Nevada Rules of Civil Procedure. A copy of the summons [shall] must be mailed to the last known post office address of the residence of the licensee and also to the place where he conducted the employment agency or talent agency as shown by the records of the Labor Commissioner. Service shall be deemed to be made when not less than such number of days [shall] have intervened between the dates of service and the return of [the same] service as provided by the rules of the particular court in which suit is brought.

Sec. 17. NRS 611.160 is hereby amended to read as follows:

- 611.160 1. Every licensee shall keep, for 2 years, a record of every applicant for employment who secures employment through the services provided by the licensee. The record must include a copy of the:
- (a) Invoice given to the applicant for employment pursuant to NRS 611.180;
- (b) Application for employment submitted to the employment agency *or talent agency* by the applicant;
- (c) Receipt given to the applicant for the payment of any fees pursuant to NRS 611.200; and
- (d) Contract between the applicant and the employment agency or talent agency.
 - 2. A licensee shall not make any false entry in these records.
 - Sec. 18. NRS 611.170 is hereby amended to read as follows:
- 611.170 1. The premises of a licensed employment agency *or talent agency* and all the records kept by the licensee pursuant to NRS 611.020 to 611.320, inclusive, *and section 1 of this act* must be made available at all reasonable hours for inspection by the Labor Commissioner.
- 2. [Every] A licensee shall furnish to the Labor Commissioner on request a true copy of those records.
 - 3. The Labor Commissioner may conduct an audit or other investigation of a talent agency. If the audit or investigation reveals that the talent agency has engaged in fraudulent conduct, the talent agency shall pay to the Labor Commissioner the costs of the audit or investigation. The Labor Commissioner shall collect the money from the talent agency and deposit the money with the State Treasurer for credit to the State General Fund.
 - **Sec. 19.** NRS 611.175 is hereby amended to read as follows:
 - 611.175 *I*. At the time an employment agency contracts with an applicant for employment it shall supply the applicant with a copy of the signed contract.
 - 2. A talent agency shall enter into a written contract with each talent placed for employment before the employment commences, and shall provide a copy of the contract to the talent



or to the representative of the talent if the talent is a group, at the time the contract is executed. The contract must include, without limitation:

(a) The name and address of the employer;

- (b) The date and place of employment, the name of the person with whom to communicate concerning the employment and how to contact that person;
- (c) The type and character of services required by the employer;
- (d) The number of hours to be worked, when the hours will be worked, whether any overtime is contemplated and how the person will be compensated for any overtime;
 - (e) The gross cash wage that will be paid to the talent;
 - (f) The name and address of the talent agency;
- (g) The amount of commission which will be paid to the talent agency;
- (h) The date on which the talent agency will pay the talent; and
 - (i) In noticeable print the following notice:

IN THE STATE OF NEVADA TALENT CANNOT BE DENIED WORK FOR FAILURE TO SIGN AN EXCLUSIVE CONTRACT. Signing such a contract may allow the exclusive agent to receive a portion of the money received by other agents.

- 3. A talent agency shall pay talent placed for employment not later than 45 days after the last day worked by the talent or, if the booking lasts longer than 45 days, the talent agency shall pay the talent on a weekly basis.
- 4. A talent agency shall provide to each talent placed for employment a timecard or other similar device which will enable the talent to prove to the talent agency that he completed the booking.
 - **Sec. 20.** NRS 611.180 is hereby amended to read as follows:
- 611.180 [Every] A licensee shall give to [every] each applicant for employment [from whom], whether or not a fee is required for securing employment, an invoice on which is stated:
 - 1. The name and address of the employment agency [;] or talent agency;
 - 2. The name and address of the employer;
 - 3. The name of the applicant;
 - 4. The date:
- 5. The amount of the fee required for the services of the employment agency ; or talent agency;



- 6. The title of the position secured by the applicant;
- 7. The name of the person authorized to hire employees for the employer; and
 - 8. The amount of the gross cash wage.
 - **Sec. 21.** NRS 611.200 is hereby amended to read as follows:
- 611.200 All receipts for the payment of any fees by an applicant for employment must be prepared and numbered in original and duplicate. The original must be given to the applicant paying the fee, and the duplicate must be kept on file at the employment agency [-] or talent agency. Each receipt must have printed on its face in prominent type the following statement:

This agency is licensed by the Labor Commissioner of Nevada.

Sec. 22. NRS 611.220 is hereby amended to read as follows:

611.220 *I.* No employment agency licensed pursuant to the **[terms]** *provisions* of NRS 611.020 to 611.320, inclusive, *and section 1 of this act* may charge, accept or collect from any applicant for employment as a fee for securing the employment any sum of money in excess of 65 percent of the first month's gross cash wage received for the employment, except babysitting. The fee for a placement for babysitting must not exceed 15 percent of the gross cash wage received.

- 2. No talent agency licensed pursuant to the provisions of NRS 611.020 to 611.320, inclusive, and section 1 of this act may charge, accept or collect as a fee for securing a booking any sum of money in excess of 15 percent of the gross cash wage received by the talent for the employment. A talent agency may charge, accept or collect a fee from either the employer or the talent but shall not take a fee from both. A talent agency that violates this subsection:
- 31 (a) Is liable for treble damages, payable to the talent placed for 32 employment; and
 - (b) May have its license revoked.

Sec. 23. NRS 611.230 is hereby amended to read as follows: 611.230 [Every]

- 1. Each employment agency shall keep posted in a conspicuous place in its office or place of business a card or cards, furnished by the Labor Commissioner, upon which must be printed in large black-faced type the following: "No fee may be charged an applicant for employment which exceeds 65 percent of the first month's gross cash wage."
- 2. Each talent agency shall keep posted in a conspicuous place in its office or place of business a card or cards, furnished by the Labor Commissioner, upon which must be printed in large black-faced type the following: "No fee may be charged an



applicant for employment which exceeds 15 percent of the gross cash wage."

- **Sec. 24.** NRS 611.240 is hereby amended to read as follows:
- 611.240 An employment agency or talent agency shall not accept a fee from any applicant for employment with an employer or refer any applicant for employment to an employer without having obtained orally or in writing an authorization for that referral from the employer or his agent.
 - **Sec. 25.** NRS 611.250 is hereby amended to read as follows:
- 611.250 1. If the applicant paying a fee fails to obtain employment, without fault refuses to accept employment, or is employed and the employment lasts less than 7 days, the employment agency or talent agency shall repay the amount of the fee to the applicant. The provisions of this subsection do not apply to a talent agency if the booking was intended to last less than 7 days and this fact was specified in the contract.
- 2. A refund must be made to an applicant for employment, if the fee was paid:
 - (a) In cash, within 72 hours;

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- 20 (b) By a check drawn on a bank located in this State, within 14 21 days; or
- 22 (c) By a check drawn on a bank located in another state, within 23 30 days.
- → after the applicant requests the refund. 24
 - **Sec. 26.** NRS 611.260 is hereby amended to read as follows:
 - 611.260 If the applicant is employed and the employment lasts 7 or more days but less than 30 days, the fee charged the applicant **[shall]** must not exceed 40 percent of the gross cash wage paid to the applicant. The provisions of this section do not apply to a talent agency.
- **Sec. 27.** NRS 611.265 is hereby amended to read as follows: 31 32
 - No employment agency *or talent agency* may:
 - 1. Impose fees of any kind for the registration of applicants for employment without the written permission of the Labor Commissioner.
 - 2. Cause or attempt to cause the discharge of any person from his employment.
 - 3. Require any applicant to subscribe to any publication or incidental service or contribute to the cost of advertising.
 - Refer any applicant to any employment or occupation prohibited by law.
 - 5. Except with the written consent of the Labor Commissioner, conduct an employment agency or talent agency in a room used for sleeping or as a residence.



6. Use any name, sign or device for advertising bearing a name that is similar to or can reasonably be confused with the name of any governmental agency or another licensed employment agency [-] or talent agency.

- 7. Require any applicant to execute any contract or other document relating to his liability or obligation concerning employment services except on such forms as are approved by the Labor Commissioner. Any document executed contrary to this subsection is void.
 - **Sec. 28.** NRS 611.270 is hereby amended to read as follows:
- 611.270 1. An employment agency *or talent agency* shall not publish or cause to be published any false, fraudulent or misleading information, representation, notice or advertisement.
- 2. All advertisements of an employment agency [,] or talent agency, by means of cards, circulars, signs, or in newspapers and other publications, and all letterheads, receipts, and blanks [shall] must be printed and contain the licensed name and address of the employment agency [.] or talent agency.
- 3. A licensee shall not give any false, inaccurate or misleading information or make any false promise or false representation concerning an engagement or employment to any applicant who [shall register or apply] registers or applies for employment or help.
 - Sec. 29. NRS 611.280 is hereby amended to read as follows:
- 611.280 [No] An employment agency or talent agency shall not accept any application for employment made by or in behalf of any child, or [shall] place or assist in placing any [such] child in any employment whatever, in violation of the provisions of chapter 609 of NRS.
 - **Sec. 30.** NRS 611.290 is hereby amended to read as follows:
- 611.290 An employment agency *or talent agency* shall not knowingly send an applicant to any place where a strike, lockout or other labor trouble exists without furnishing the applicant with a written statement of [such] *that* fact, a copy of which, [statement,] signed by the applicant, [shall] *must* be kept on file for 1 year.
 - **Sec. 31.** NRS 611.300 is hereby amended to read as follows:
- 611.300 An employment agency *or talent agency* shall not divide fees with an employer, an agent or other employee of an employer or any other person to whom services for employment are provided by the agency.
 - **Sec. 32.** NRS 611.310 is hereby amended to read as follows:
- 611.310 The Labor Commissioner shall enforce NRS 611.020 to 611.320, inclusive, *and section 1 of this act*, and when informed of any [violations] violation thereof he shall report the fact to the district attorney of the county in which [such] the violation



occurred. The district attorney shall prosecute the violator in accordance with law. 2

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Sec. 33. NRS 611.320 is hereby amended to read as follows:

611.320 1. Any person who violates any provision of NRS 611.020 to 611.320, inclusive, *and section 1 of this act*, or any regulation adopted pursuant thereto, is guilty of a misdemeanor.

2. In addition to any other remedy or penalty, the Labor Commissioner may impose against the person an administrative penalty of not more than \$5,000 for each such violation.

Sec. 34. This act becomes effective on January 1, 2006.



