

SENATE BILL NO. 198—SENATOR DALY

FEBRUARY 10, 2025

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to labor. (BDR 53-557)

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

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

AN ACT relating to labor; revising provisions governing the payment of wages and compensation to an employee who resigns, quits or is discharged or placed on nonworking status; revising the penalty imposed upon an employer for the failure to pay such wages and compensation when due; requiring the revocation of the license of a cannabis establishment that violates a federal or state labor law; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, whenever an employer: (1) discharges an employee, the
2 wages and compensation earned and unpaid at the time of the discharge become
3 due and payable immediately; and (2) places an employee on nonworking status,
4 the wages earned and unpaid at the time the employee is placed on such status
5 become due and payable immediately. (NRS 608.020) Additionally, existing law
6 provides that whenever an employee resigns or quits his or her employment, the
7 wages and compensation earned and unpaid at the time of the employee’s
8 resignation or quitting are required to be paid not later than the day on which the
9 employee would have regularly been paid the wages or compensation or 7 days
10 after the employee resigns or quits, whichever is earlier. (NRS 608.030) **Sections 1**
11 **and 2** of this bill provide that for the purposes of those requirements, compensation
12 includes, without limitation, fringe benefits.

13 Existing law provides for the imposition of a penalty upon an employer who
14 fails to comply with the requirements pertaining to the payment of wages and
15 compensation of an employee who resigned, quit or was discharged or placed on
16 nonworking status. Under existing law, the wages or compensation of such an
17 employee continues at the same rate until the employee is paid or for 30 days,
18 whichever is less, if the employer fails to pay the wages or compensation, as
19 applicable: (1) for an employee who is discharged, within 3 days after the wages or
20 compensation of the employee becomes due; (2) for an employee who is placed on
21 nonworking status, within 3 days after the wages of the employee becomes due;



22 and (3) for an employee who resigns or quits, on the day the wages or
23 compensation is due. (NRS 608.040)

24 **Section 3** of this bill revises the amount of such a penalty and the
25 circumstances under which such a penalty is imposed. Rather than providing for the
26 imposition of the penalty if an employer fails to pay the wages or compensation of
27 an employee who is discharged or the wages of an employee who is placed on
28 nonworking status within 3 days after the wages or compensation becomes due,
29 **section 3** provides for the imposition of the penalty if the employer fails to pay the
30 wages or compensation of such an employee not later than 5 p.m. on the calendar
31 day immediately following the day on which the wages or compensation becomes
32 due. Rather than providing that the wages or compensation of the employee
33 continues at the same rate until paid or for 30 days, whichever is less, **section 3**
34 requires an employer who fails to pay the wages or compensation of an employee
35 who has resigned, quit or been discharged or placed on nonworking status within
36 the required time to pay the employee an additional amount equal to the amount the
37 employee would receive for 8 hours of work at the rate of 1 1/2 times his or her
38 hourly wage rate for each day or portion of a day that the wages or compensation to
39 which the employee is entitled and any additional amount required by **section 3**, are
40 not paid or for 30 days, whichever is less.

41 Existing law sets forth procedures by which the Cannabis Compliance Board
42 may take disciplinary action against a licensee or registrant who violates a
43 provision of existing law governing the cannabis industry in this State or any
44 regulation adopted by the Board. (NRS 678A.500-678A.647) Existing law sets
45 forth various disciplinary actions the Board is authorized to take against a licensee
46 or registrant if the Board finds that the licensee or registrant committed such a
47 violation. (NRS 678A.600) Additionally, existing law authorizes the Board to
48 resolve any matter concerning a licensee or registrant who has allegedly committed
49 such a violation by entering into a consent or settlement agreement with the
50 licensee or registrant. (NRS 678A.645)

51 **Section 7** of this bill requires a cannabis establishment to comply with all
52 federal and state labor laws. **Sections 4 and 6** of this bill prohibit the Board from
53 entering into a consent or settlement agreement with a licensee who has allegedly
54 violated that requirement. Instead, **section 5** of this bill requires the Board, if the
55 Board finds that a licensee has violated that requirement, to revoke the license of
56 the licensee.

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

1 **Section 1.** NRS 608.020 is hereby amended to read as follows:

2 608.020 1. Whenever an employer discharges an employee,
3 the wages and compensation earned and unpaid at the time of such
4 discharge shall become due and payable immediately.

5 2. Whenever an employer places an employee on a nonworking
6 status, the wages earned and unpaid at the time the employee is
7 placed on nonworking status are due and payable immediately.

8 3. As used in this section ~~["nonworking"]~~:

9 (a) **"Compensation"** includes, without limitation, fringe
10 benefits.

11 (b) **"Nonworking"** status" means the temporary layoff of an
12 employee by the employer whereby the employee remains



1 employed and may be called back to work by the employer at a
2 future date. The term does not include an employee who an
3 employer:

4 ~~[(a)]~~ (1) Places on suspension pending an investigation relating
5 to employment;

6 ~~[(b)]~~ (2) Places on suspension pursuant to a disciplinary action
7 relating to employment;

8 ~~[(c)]~~ (3) Places on-call for available work; or

9 ~~[(d)]~~ (4) Approves to take a leave of absence.

10 **Sec. 2.** NRS 608.030 is hereby amended to read as follows:

11 608.030 1. Whenever an employee resigns or quits his or her
12 employment, the wages and compensation earned and unpaid at the
13 time of the employee's resignation or quitting must be paid no later
14 than:

15 ~~[(1)]~~ (a) The day on which the employee would have regularly
16 been paid the wages or compensation; or

17 ~~[(2)]~~ (b) Seven days after the employee resigns or quits,

18 ↪ whichever is earlier.

19 2. *As used in this section, "compensation" includes, without*
20 *limitation, fringe benefits.*

21 **Sec. 3.** NRS 608.040 is hereby amended to read as follows:

22 608.040 1. If an employer fails to pay:

23 (a) ~~[(Within 3 days after)]~~ *Not later than 5 p.m. on the calendar*
24 *day immediately following the day on which* the wages or
25 compensation of a discharged employee becomes due;

26 (b) ~~[(Within 3 days after)]~~ *Not later than 5 p.m. on the calendar*
27 *day immediately following the day on which* the wages of an
28 employee placed on nonworking status pursuant to NRS 608.020
29 becomes due; or

30 (c) On the day the wages or compensation is due to an employee
31 who resigns or quits,

32 ↪ *the employer shall, in addition to payment of the wages or*
33 *compensation of the employee* ~~[(continues)]~~ *which has become due*
34 *pursuant to NRS 608.020 or 608.030, as applicable, pay to the*
35 *employee an amount equal to the amount the employee would*
36 *receive for 8 hours of work at the* ~~[(same)]~~ *rate* ~~[(from the day the~~
37 ~~employee resigned, quit or was discharged or placed on nonworking~~
38 ~~status until)]~~ *of 1 1/2 times his or her hourly wage rate for each day*
39 *or portion of a day that the wages or compensation due pursuant*
40 *to NRS 608.020 or 608.030, as applicable, and any additional*
41 *amount required by this subsection are not* paid or for 30 days,
42 whichever is less.

43 2. Any employee who secretes or absents himself or herself to
44 avoid payment of his or her wages or compensation, or refuses
45 to accept them when fully tendered to him or her, is not entitled to



1 receive the payment thereof for the time he or she secretes or
2 absents himself or herself to avoid payment.

3 **3. For the purposes of subsection 1, the hourly wage rate of**
4 **an employee must be:**

5 (a) **For an employee who is paid wages by the employer at a**
6 **rate based on an hour of time, the hourly wage rate of the**
7 **employee as of the day on which the employee resigned, quit or**
8 **was discharged or placed on nonworking status.**

9 (b) **For an employee who is paid wages by the employer by**
10 **salary, piece rate or any other wage rate except for a wage rate**
11 **based on an hour of time, the amount of wages earned by the**
12 **employee in the pay period in which the day the employee**
13 **resigned, quit or was discharged or placed on nonworking status**
14 **falls, or if the employee has not earned any amount of wages**
15 **during that pay period, the immediately preceding pay period,**
16 **divided by the number of hours worked by the employee during the**
17 **pay period.**

18 **Sec. 4.** NRS 678A.510 is hereby amended to read as follows:

19 678A.510 1. If the Executive Director transmits the details of
20 a suspected violation to the Attorney General pursuant to NRS
21 678A.500, the Attorney General shall conduct an investigation of
22 the suspected violation to determine whether it warrants proceedings
23 for disciplinary action of the licensee or registrant. If the Attorney
24 General determines that further proceedings are warranted, he or she
25 shall report the results of the investigation together with a
26 recommendation to the Executive Director in a manner which does
27 not violate the right of the person charged in the complaint to due
28 process in any later hearing on the complaint. The Executive
29 Director shall transmit the recommendation and other information
30 received from the Attorney General to the Board.

31 2. The Board shall promptly make a determination with respect
32 to each complaint resulting in an investigation by the Attorney
33 General. The Board shall:

34 (a) Dismiss the complaint;

35 (b) ~~Enter~~ **Except for a complaint involving a suspected**
36 **violation of subsection 8 of NRS 678B.510 by a licensee, enter** into
37 a consent or settlement agreement with the licensee or registrant
38 pursuant to NRS 678A.645; or

39 (c) Proceed with appropriate disciplinary action in accordance
40 with NRS 678A.520 to 678A.600, inclusive, chapter 233B of NRS
41 and the regulations adopted by the Board. In determining the
42 disciplinary action to impose the Board shall consider mitigating
43 factors pursuant to NRS 678A.647.

44 **Sec. 5.** NRS 678A.600 is hereby amended to read as follows:



1 678A.600 1. ~~HH~~ *Except as otherwise provided in subsection*
2 *2, if* the Board finds that a licensee or registrant has violated a
3 provision of this title or any regulation adopted pursuant thereto, the
4 Board may:

5 (a) Limit, condition, suspend or revoke the license or
6 registration card of the licensee or registrant;

7 (b) Impose a civil penalty in an amount established by
8 regulation, not to exceed \$20,000 for a single violation;

9 (c) Take any combination of the actions authorized by
10 paragraphs (a) and (b);

11 (d) Issue a warning to the licensee or registrant; or

12 (e) Take no action against the licensee or registrant.

13 2. *If the Board finds that a licensee has violated subsection 8*
14 *of NRS 678B.510, the Board shall revoke the license of the*
15 *licensee.*

16 3. In determining the appropriate action to be taken against a
17 licensee or registrant pursuant to ~~[this section,]~~ *subsection 1,*
18 including, without limitation, the amount of any civil penalty
19 imposed, the Board shall consider whether any of the mitigating
20 circumstances set forth in NRS 678A.647 exist.

21 **Sec. 6.** NRS 678A.645 is hereby amended to read as follows:

22 678A.645 1. The Board may, at any time, resolve a matter
23 involving a licensee or registrant who has allegedly violated a
24 provision of this title or any regulation adopted pursuant thereto ,
25 *other than an alleged violation of subsection 8 of NRS 678B.510,*
26 by entering into a consent or settlement agreement with the licensee
27 or registrant so long as the terms of the agreement, and any
28 modification of those terms, are discussed and approved at a
29 meeting of the Board.

30 2. In determining whether to approve or modify the terms of a
31 consent or settlement agreement pursuant to subsection 1, the Board
32 shall consider whether any of the mitigating circumstances set forth
33 in NRS 678A.647 exist.

34 3. The Board shall state on the record in any meeting in which
35 the terms of a consent or settlement agreement are approved or
36 modified pursuant to subsection 1:

37 (a) The determination of the Board as to whether any of the
38 mitigating circumstances set forth in NRS 678A.647 exist; and

39 (b) If the Board determines that any of the mitigating
40 circumstances exist, the weight given by the Board to each
41 mitigating circumstance in determining whether to approve or
42 modify the terms of the agreement.

43 4. If the terms of a consent or settlement agreement impose a
44 civil penalty, the statement required by paragraph (b) of subsection
45 3 must specify the weight given by the Board to each mitigating



1 circumstance in determining whether to approve or modify the
2 amount of the civil penalty.

3 **Sec. 7.** NRS 678B.510 is hereby amended to read as follows:

4 678B.510 1. The operating documents of a cannabis
5 establishment must include procedures:

6 (a) For the oversight of the cannabis establishment; and

7 (b) To ensure accurate recordkeeping.

8 2. Except as otherwise provided in this subsection, a cannabis
9 establishment may have more than one entrance so long as each
10 entrance is secure and shall implement strict security measures to
11 deter and prevent the theft of cannabis and unauthorized entrance
12 into areas containing cannabis. The provisions of this subsection do
13 not supersede any state or local requirements relating to minimum
14 numbers of points of entry or exit, or any state or local requirements
15 relating to fire safety.

16 3. Except as otherwise provided in NRS 678D.400, all
17 cultivation or production of cannabis that a cannabis cultivation
18 facility carries out or causes to be carried out must take place in an
19 enclosed, locked facility at the physical address provided to the
20 Board during the licensing process for the cannabis cultivation
21 facility. Such an enclosed, locked facility must be accessible only by
22 cannabis establishment agents who are lawfully associated with the
23 cannabis cultivation facility, except that limited access by persons
24 necessary to perform construction or repairs or provide other labor
25 is permissible if such persons are supervised by a cannabis
26 establishment agent.

27 4. A cannabis establishment that is not a cannabis consumption
28 lounge shall not allow any person to consume cannabis on the
29 property or premises of the establishment.

30 5. Cannabis establishments are subject to reasonable inspection
31 by the Board at any time, and a person who holds a license must
32 make himself or herself, or a designee thereof, available and present
33 for any inspection by the Board of the cannabis establishment.

34 6. Each cannabis establishment shall install a video monitoring
35 system which must, at a minimum:

36 (a) Allow for the transmission and storage, by digital or analog
37 means, of a video feed which displays the interior and exterior of the
38 cannabis establishment; and

39 (b) Be capable of being accessed remotely by a law enforcement
40 agency in real-time upon request.

41 7. A cannabis establishment shall not dispense or otherwise sell
42 cannabis or cannabis products from a vending machine or allow
43 such a vending machine to be installed at the interior or exterior of
44 the premises of the cannabis establishment. As used in this



1 subsection, “vending machine” has the meaning ascribed to it in
2 NRS 209.229.

3 ***8. A cannabis establishment shall comply with all state and***
4 ***federal labor laws.***



