

NRAP 26.1 DISCLOSURE STATEMENT

The undersigned counsel of record certifies that the following are the persons and entities as described in NRAP 26.1(a) that must be disclosed. These representations are made in order that the Justices of this Court may evaluate possible disqualification or recusal.

Respondent, NP Palace LLC d/b/a Palace Station Hotel & Casino ("Palace"), is represented in this proceeding, and was represented in the case below, by the law firm of Fisher & Phillips, LLP. Palace is a wholly-owned subsidiary of Station Casinos LLC, all of the economic interests in which are owned by Station Holdco LLC, the economic interests in which are majority-owned by Red Rock Resorts, Inc., which is a publicly-traded corporation.

Dated this 17th day of March 2022.

FISHER & PHILLIPS LLP

By: 

Scott M. Mahoney, Esq.
Nevada Bar No. 1099
300 South Fourth Street
Suite 1500
Las Vegas, NV 89101
Attorneys for Respondent

TABLE OF CONTENTS

NRAP 26.1 DISCLOSURE STATEMENT	i
TABLE OF AUTHORITIES	iv
JURISDICTIONAL STATEMENT	1
ROUTING STATEMENT	1
STANDARD OF REVIEW	1
STATEMENT OF ISSUES PRESENTED FOR REVIEW	1
STATEMENT OF THE CASE.....	2
STATEMENT OF FACTS	2
SUMMARY OF ARGUMENT	3
ARGUMENT	4
THE COMPLAINT DOES NOT STATE A CLAIM FOR TORTIOUS DISCHARGE PREDICATED ON A VIOLATION OF THE RIGHT TO PRIVACY	4
<i>The Complaint, As Currently Written, Makes No Mention of the Right to Privacy</i>	4
<i>The Complaint Does Not Put Palace on Notice That Ceballos' Tortious Discharge Claim Is Based Upon A Legal Theory of Invasion of Privacy</i>	5
LEAVE TO AMEND SHOULD BE DENIED AS FUTILE	7
<i>The Standard for Tortious Discharge Claims.....</i>	7
<i>The Hennessey Decision</i>	8

1	<i>Nevada Statutory Law (And Opinions of this Court) Make it Clear that</i>	
2	<i>Employee Drug Testing Does Not Violate Nevada Public Policy</i>	10
3	<i>Conclusion Re: Tortious Discharge</i>	13
4	<i>Final Comments</i>	14
5	INVASION OF PRIVACY	15
6	CONCLUSION	18
7		
8	CERTIFICATE OF COMPLIANCE	20
9	CERTIFICATE OF SERVICE	22
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

TABLE OF AUTHORITIES

Page(s)

Cases

<i>Allum v. Valley Bank of Nevada,</i> 114 Nev. 1313, 970 P.2d 1062 (1998).....	7
<i>Anderson v. Ruppco Inc.,</i> 125 Nev. 1015, 281 P.3d 1150, 2009 WL 1490992 (Nev. January 27, 2009) (unpublished)	1, 7, 8, 13
<i>Baldonado v. Wynn Las Vegas,</i> 124 Nev. 951, 194 P.3d 96 (2008).....	18
<i>Blankenship v. O’Sullivan Plastics Corporation,</i> 109 Nev. 1162, 866 P.2d 293 (1993).....	12
<i>Brown v. Eddie World, Inc.,</i> 131 Nev. 150, 348 P.3d 1002 (2015).....	7
<i>Buzz Stew, LLC v. City of North Las Vegas,</i> 124 Nev. 224, 181 P.3d 670 (2008).....	2
<i>California v. Ciraolo,</i> 476 U.S. 207 (1986).....	17
<i>Chavez v. Sievers,</i> 118 Nev. 288, 43 P.3d 1022 (2002).....	7
<i>Frye v. IBP, Inc.,</i> 15 F.Supp.2d 1032 (D. Kan. 1998).....	18
<i>Hansen v. Harrah’s,</i> 100 Nev. 60, 675 P.2d 394 (1984).....	14
<i>Hennessey v. Coastal Eagle Point Oil Company,</i> 609 A.2d 11 (N.J. 1992)	<i>passim</i>
<i>Liston v. Las Vegas Metropolitan Police Department,</i> 111 Nev. 1575, 908 P.2d 720 (1995).....	5, 6

1	<i>Luck v. Southern Pacific Transportation Co.,</i>	
2	267 Cal.Rptr. 618 (Cal. App. 1990).....	13, 14
3	<i>Lunsford v. Sterlite of Ohio, L.L.C.,</i>	
4	165 N.E.3d 245 (Ohio 2020)	18
5	<i>Nevada Employment Security Department v. Holmes,</i>	
6	112 Nev. 275, 914 P.2d 611 (1996).....	12
7	<i>Nutton v. Sunset Station,</i>	
8	131 Nev. 279, 357 P.3d 966 (Nev. App. 2015)	6
9	<i>Ozawa v. Vision Airlines, Inc.,</i>	
10	125 Nev. 556, 216 P.3d 788 (2009).....	7
11	<i>People for the Ethical Treatment of Animals v. Bobby</i>	
12	<i>Berosini, LTD.,</i>	
13	111 Nev. 615, 895 P.2d 1269 (1995), <i>overruled on other</i>	
14	<i>grounds by,</i> 940 P.2d 134 (Nev. 1997).....	16
15	<i>Sands Regent v. Valgardson,</i>	
16	105 Nev. 436, 777 P.2d 898 (1989).....	7
17	<i>Shoen v. Amerco, Inc.,</i>	
18	111 Nev. 735, 896 P.2d 469 (1995).....	15
19	<i>Twigg v. Hercules Corporation,</i>	
20	406 S.E. 52 (W. Va. 1990) (dissenting opinion)	19
21	<i>Western States Construction, Inc. v. Michoff,</i>	
22	108 Nev. 931, 840 P.2d 1220 (1992).....	6
23	Statutes	
24	NRS 50.070(2)(c).....	15
25	NRS 613.132(1)	11
26	NRS 613.132(2)(a)-(d).....	11
27	NRS 613.132(5)	12
28	NRS 613.333	14, 15

1	NRS 613.333(2)	15
2	NRS 678D.510(1)(a)	11
3	NRS Chapter 678D	6, 11

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

JURISDICTIONAL STATEMENT

Respondent adopts the content of Respondent's Answering Brief
(Document No. 21-27942).

ROUTING STATEMENT

Respondent adopts the content of Respondent's Answering Brief
and continues to agree with Appellant that all issues should be decided by
the Supreme Court.

STANDARD OF REVIEW

Respondent adopts the content of Respondent's Answering Brief.

STATEMENT OF ISSUES PRESENTED FOR REVIEW

This Supplemental Brief is being filed by Palace pursuant to the
Court's Order Directing Supplemental Briefing (Document No. 22-04533)
(the "Order") and responds to Appellant's Supplemental Brief (Document
No. 22-06872) ("ASB"). Citing two cases,¹ the Order asks for input on
the following issues:

1. "[W]hether the complaint states a claim for tortious discharge
predicated on a violation of the right to privacy?"

¹ *Anderson v. Ruppco Inc.*, 125 Nev. 1015, 281 P.3d 1150, 2009 WL 1490992 (Nev. January 27, 2009) (unpublished); *Hennessey v. Coastal Eagle Point Oil Company*, 609 A.2d 11 (N.J. 1992).

1 2. “[I]f not, whether remand to the district court with directions to
2 grant leave to amend is appropriate?”
3

4 The answer to both questions is “No.”

5 **STATEMENT OF THE CASE**

6 Respondent adopts the content of Respondent’s Answering Brief.
7

8 **STATEMENT OF FACTS**

9 The Order raises the possibility that the Court could recognize a
10 tortious discharge claim in the context of employee drug testing. While
11 Palace recognizes that in ruling on a motion to dismiss, all the allegations
12 of the Complaint should be accepted as true,² it nonetheless urges caution
13 in recognizing any new tortious discharge claim without the evidentiary
14 record that would exist by the summary judgment stage or from a trial.
15
16

17 Some of the *allegations* of the Complaint are designed to appeal to
18 emotions, e.g., that Ceballos was supposedly put into a “holding cell” and
19 then “forced” to submit to testing.³ A reader might have a different
20 reaction to the Complaint if it said:
21

22 At approximately 2:12 a.m. on June 26, 2020,
23 Security was dispatched to the Team Member
24 Dining. Upon arrival, Ceballos was sitting on

25 ² *Buzz Stew, LLC v. City of North Las Vegas*, 124 Nev. 224, 228, 181 P.3d
26 670, 672 (2008) (citation omitted).

27 ³ Was Ceballos really put in a “cell” and how was he “forced” to take the
28 test? Gunpoint? Held down by burly security personnel and swabbed?

1 the floor by a "Wet Floor" sign and indicated he
2 had slipped and landed on his back and hurt his
3 elbow. After accepting first aid and declining
4 medical transport, Ceballos was taken to a
5 Security Office. After completing a C-1 Notice
6 of Injury form, per policy, and after signing a
7 consent form at approximately 2:40 a.m.,
8 Ceballos was given an oral breath test for
9 alcohol and saliva-tested for drug usage. He
10 then returned to work. Quest Diagnostics later
11 provided Palace with a Medical Review Officer
12 Report indicating that Ceballos had tested
13 positive for marijuana, with no other medical
14 information being provided.

11 SUMMARY OF ARGUMENT

12 The Complaint, as currently written, does not state a claim for
13 tortious discharge predicated on a violation of the right to privacy and
14 Palace has not been given adequate notice of a claim of this nature.
15 Assertion of such a claim would require leave to amend the Complaint,
16 which should be denied as futile because the requisite violation of public
17 policy necessary to make a rare exception to the at-will employment
18 doctrine does not exist. Indeed, recent enactments of the Nevada
19 Legislature and this Court's prior precedent make it clear that employee
20 drug testing is not contrary to Nevada public policy. To the extent ASB
21 argues that Ceballos should additionally or alternatively be granted leave
22
23
24
25
26
27
28

1 to amend to bring a common law invasion of privacy claim, this should
2 also be denied as futile.

3
4 **ARGUMENT**

5 **THE COMPLAINT DOES NOT STATE A CLAIM FOR**
6 **TORTIOUS DISCHARGE PREDICATED ON A**
7 **VIOLATION OF THE RIGHT TO PRIVACY**

8 ***The Complaint, As Currently Written, Makes***
9 ***No Mention of the Right to Privacy***

10 The Complaint alleges:

11 It is Plaintiff's statutory right, under NRS 678D,
12 to engage in adult cannabis consumption
13 pursuant to the Chapter's guidelines. Palace
14 Station terminated Plaintiff for exercising this
15 right in violation of NRS 613.333(1)(b).

16 Nevada has a strong public policy interest in
17 protecting the statutory rights of its citizens.
18 Even more so, Nevada has a strong public policy
19 interest in ensuring its citizens are not denied the
20 ability to support themselves and their families
21 due to engagement in statutory protected and
22 completely lawful activities.

23 Palace Station is liable to Plaintiff for tortious
24 discharge . . . by terminating Plaintiff for
25 engaging in a statutorily protected activity.⁴

26
27 Presently, the tortious discharge claim is all about Ceballos
28 supposedly having a statutorily-protected right to remain employed after

29 ⁴JA000007 ¶ 43-45 (emphasis removed from original).

1 testing positive for marijuana in a post-accident drug test (so long as his
2 marijuana use was on his own time, off the premises and he did not come
3 to work under the influence). No invasion of privacy concern is voiced.
4 In fact, as currently written, the Complaint does not even mention the
5 word “privacy.”
6

7
8 ***The Complaint Does Not Put Palace on Notice That***
9 ***Ceballos’ Tortious Discharge Claim Is Based Upon***
10 ***A Legal Theory of Invasion of Privacy***

11 “Ceballos argues that, under Nevada’s liberal notice-pleading
12 standard, he has sufficiently [pleaded] a claim for tortious discharge based
13 on an invasion of privacy,”⁵ and cites *Liston*⁶ as holding that notice
14 pleading “requires plaintiffs to provide facts which support a legal theory,
15 but it does not require them to correctly identify the legal theory relied
16 upon.”⁷
17

18 Even with notice pleading, a plaintiff must still “set forth sufficient
19 facts to demonstrate the necessary elements of a claim for relief so that the
20 defending party has adequate notice of the nature of the claim and relief
21
22
23
24

25 ⁵ ASB at 1.

26 ⁶ *Liston v. Las Vegas Metropolitan Police Department*, 111 Nev. 1575,
27 1578, 908 P.2d 720, 723 (1995) (citation omitted).

28 ⁷ ASB at 2.

1 sought.”⁸ Because (as discussed below) this Court has recognized tortious
2 discharge claims only in rare and exceptional cases, the nature of the
3 alleged public policy violation should be stated with precision. The
4 Complaint does not allege the elements of an invasion of privacy claim,
5 and Ceballos’ alleging that he has a statutorily-protected right to engage in
6 cannabis use in compliance with NRS Chapter 678D does not put Palace
7 on notice that the tortious discharge claim is based on “invasion of
8 privacy.”⁹

11
12 The Complaint does not state a tortious discharge claim based on a
13 violation of the right to privacy. Amendment of the pleading would be
14 required, and for the reasons set forth below, the case should not be
15 remanded to the court below with instructions to grant leave to amend
16 because it could not survive a motion to dismiss and would be futile.¹⁰

17
18 ///

19
20 ///

21
22 ⁸ *Western States Construction, Inc. v. Michoff*, 108 Nev. 931, 936, 840
P.2d 1220, 1223 (1992).

23 ⁹ In *Liston*, this Court found the failure to use the words “constructive
24 discharge” in the complaint did not preclude recovery because plaintiff
25 “repeatedly set forth facts which supported such a legal theory.” *Id.*, at
26 908 P.2d 723. Here, the public policy rationale for a tortious discharge
claim is being changed.

27 ¹⁰ *Nutton v. Sunset Station*, 131 Nev. 279, 289, 357 P.3d 966, 973 (Nev.
App. 2015) (citations omitted).

LEAVE TO AMEND SHOULD BE DENIED AS FUTILE

The Standard for Tortious Discharge Claims

“An employer commits a tortious discharge by terminating an employee for reasons that violate public policy.”¹¹ However, the mere existence of an alleged violation of public policy is not enough for this claim.¹² Only in rare and exceptional cases has this Court recognized exceptions to the at-will doctrine when the employer’s conduct violates strong and compelling public policy.¹³

The right of privacy in the tortious discharge context has been addressed by this Court in one fact-specific instance. In *Anderson*, the employee received a diagnosis of Hepatitis C, which she confidentially disclosed to Ruppco’s President, Ruppel.¹⁴ Reviewing a grant of summary

¹¹ *Allum v. Valley Bank of Nevada*, 114 Nev. 1313, 1316, 970 P.2d 1062, 1064 (1998) (citation omitted).

¹² *See, e.g., Sands Regent v. Valgardson*, 105 Nev. 436, 440, 777 P.2d 898, 900 (1989) (declining to create such a claim for age discrimination even though such discrimination is clearly against Nevada public policy); *Chavez v. Sievers*, 118 Nev. 288, 43 P.3d 1022, 1025-26 (2002) (declining to recognize a tortious discharge claim for race discrimination in businesses having less than fifteen employees); *Brown v. Eddie World, Inc.*, 131 Nev. 150, 151, 348 P.3d 1002, 1005 (2015) (declining to recognize a third-party retaliatory discharge claim even when the enforcement of gaming laws was implicated).

¹³ *Ozawa v. Vision Airlines, Inc.*, 125 Nev. 556, 560, 216 P.3d 788, 791 (2009) (citation omitted).

¹⁴ *Id.*, 2009 WL 1490992 at *1.

1 judgment on a tortious discharge claim, a genuine issue of material fact
2 was found to exist “whether Anderson was fired for refusing to disclose
3 confidential medical information, in violation of Nevada’s public policy
4 protecting the right to privacy” based on evidence that Anderson “was
5 being pressured by Ruppel to disclose confidential medical information to
6 her co-workers immediately prior to her termination.”¹⁵
7

9 Firing an employee for refusing to disclose confidential medical
10 information is an understandable basis for a public policy discharge tort.
11 Holding that employee drug testing violates Nevada public policy would
12 be a completely different matter, and as shown below, at odds with
13 pronouncements of the Legislature and this Court’s precedent.
14
15

16 *The Hennessey Decision*

17 Ceballos urges that “the balancing test and related principles
18 outlined in *Hennessey* should be adopted by the Court.”¹⁶ *Hennessey*
19 involved a company that adopted a policy of *random urine testing*,
20 pursuant to which, Hennessey was randomly chosen for testing and his
21 urine tested positive for marijuana and diazepam, resulting in his
22 termination.¹⁷ The New Jersey Supreme Court addressed “whether a
23
24
25

26 ¹⁵ *Id.*, at *3-4 (citation omitted).

27 ¹⁶ ASB at 20.

28 ¹⁷ *Id.*, 609 A.2d at 13.

1 private employer's discharge of an employee who failed a mandatory
2 random drug test violated a clear mandate of public policy, and thus was
3 compensable as a wrongful discharge."¹⁸

5 Hennessey claimed two privacy violations – (1) "the forced
6 extraction of urine in the presence of an observer" and (2) a claim "that the
7 testing process potentially gives the employer access to much irrelevant
8 private information about the employee – the presence of epilepsy, for
9 example."¹⁹

12 The court found that "mandatory random urine testing by private
13 employers can be an invasion of privacy sufficient to breach public
14 policy," but that "more is needed than simply the breach of public policy
15 affecting a single person's rights to constitute the breach of a 'clear
16 mandate' of public policy [required under New Jersey law]."²⁰ To
17 "constitute a 'clear mandate of public policy' supporting a wrongful
18 discharge cause of action, the employee's individual rights (here, privacy)
19 must outweigh the competing public interest (here, public safety)."²¹
22 After engaging in a balancing test, the court ultimately affirmed the
23

25 ¹⁸ *Id.*, 609 A.2d at 12.

26 ¹⁹ *Id.*, at 19.

27 ²⁰ *Id.*, at 19-20.

28 ²¹ *Id.*, at 20.

1 dismissal of Hennessey's case, stating: "Because the safety-sensitive nature
2 of Hennessey's employment raises the potential for enormous public
3 injury, the public policy supporting safety outweighs any public policy
4 supporting individual privacy rights."²²

5
6 Substantial differences between *Hennessey* and our case are
7 obvious. Ceballos was not asked to submit to a urine test (in the presence
8 of an observer or otherwise) – he was asked to take a saliva test, which
9 Ceballos admits is less intrusive.²³ He was also not subjected to a random
10 test, but post-accident testing. There is also no allegation in the Complaint
11 that Palace's drug testing yields any information (private medical
12 information or otherwise) beyond whether the employee tests positive or
13 negative for specified drugs.
14
15

16
17 Most importantly, unlike in our case, there is no indication in
18 *Hennessey* that statutes had been enacted that had a bearing on whether a
19 tortious discharge claim should be recognized.
20

21 ***Nevada Statutory Law (And Opinions of this Court) Make it Clear that***
22 ***Employee Drug Testing Does Not Violate Nevada Public Policy***

23 While ignoring its own advice, the *Hennessey* court wisely stated
24 that "the complex issues of drug-testing in the workplace are better
25

26 ²² *Id.*, 609 A.2d at 23.

27 ²³ ASB at 14.

1 addressed in the context of legislative action or labor-relations
2 agreements.”²⁴ The Nevada Legislature has signaled its intentions, and
3 they do not support Ceballos’ position.
4

5 The adult use of cannabis is governed by NRS Chapter 678D, passed
6 in 2019. NRS 678D.510(1)(a) states that “[t]he provisions of this chapter
7 do not prohibit . . . [a] private employer from maintaining, enacting and
8 enforcing a workplace policy prohibiting or restricting actions or conduct
9 *otherwise permitted under this chapter*” (emphasis added). Drug testing is
10 part of enforcing a workplace drug policy.
11

12 In 2019, the Nevada Legislature also enacted NRS 613.132(1).
13 With exceptions, the statute makes it unlawful “to fail or refuse to hire a
14 prospective employee [who] submitted to a screening test and the results
15 of the screening test indicate the presence of marijuana.” All this statute
16 does is ensure that certain employees²⁵ are not eliminated from being hired
17 because they have a positive pre-employment drug test for marijuana. It
18 does not preclude drug testing itself (pre-employment or otherwise), nor
19 does it prevent employees, like Ceballos, from being terminated for
20 positive marijuana tests occurring later in their employment.
21
22
23
24

25
26
27 ²⁴ *Id.*, 609 A.2d at 23.

28 ²⁵ Those that do not fall within the scope of NRS 613.132(2)(a)-(d).

Also notable is that NRS 613.132(5) defines “screening test” as “a test of a person’s blood, urine, hair or saliva to detect the general presence of a controlled substance or any other drug” without proscribing certain means of testing. Saliva-testing is permissible (as are the urine tests that are problematic in some of the case law outside of Nevada).

Thus, the Legislature has recently weighed in on matters pertaining to marijuana use and employee drug testing and has not deemed such testing to be a violation of public policy. Quite the opposite. It has not stated that testing should only occur in instances of reasonable suspicion, limited post-accident testing, or prohibited random testing. Nor has it seen fit to circumscribe how such testing occurs. The only thing it has done is limited an employer’s right to refuse to hire most employees who test positive for marijuana in a pre-employment drug screening (but it has not prohibited screening for marijuana in such tests).²⁶

²⁶ This Court has also long-expressed that employee drug testing policy is not a violation of public policy. For example, analyzing the tortious discharge claim of an employee who was fired “[for refusing] to sign a Substance Abuse Employee Agreement . . . which included a provision requiring each subscribing employee to waive his or her constitutional right against self-incrimination,” this Court stated: “[W]e are unaware of any prevailing public policy against employers seeking to provide safe and lawful working conditions through testing programs designed to identify and eliminate the use of illicit drugs.” *Blankenship v. O’Sullivan Plastics Corporation*, 109 Nev. 1162, 1163-1164, 1166, 866 P.2d 293, 293-295 (1993). *See, also, Nevada Employment Security Department v. Holmes*,

Conclusion Re: Tortious Discharge

In a case cited by Ceballos, the court noted that the public policy underlying a tortious discharge claim should “be one about which reasonable persons can have little disagreement” and “the issue of whether urinalysis and privacy rights involve public policy interests is one about which reasonable people may, and do, differ.”²⁷

In Nevada, the Legislature has spoken in favor of employer drug testing policies. Even Ceballos admits “[Palace] has a legitimate interest in maintaining a drug-free workplace.”²⁸ This distinguishes our situation from *Anderson*. There is no debate among reasonable persons about whether an employer should be able to fire an employee who refuses to disclose confidential medical information, and the Nevada Legislature has not enacted statutes making such a practice permissible.

Even if the Complaint as originally drafted had asserted “a claim for

112 Nev. 275, 284, 914 P.2d 611, 617 (1996) (“we conclude that the cases illustrate this court’s general philosophy regarding illicit drugs in the workplace: employers have compelling reasons, both economic and social, to test their employees for drugs”). Marijuana is still an illicit drug under federal law.

²⁷ *Luck v. Southern Pacific Transportation Co.*, 267 Cal.Rptr. 618, 635 (Cal. App. 1990), Pages 10-11 of ASB suggest *Luck* is among the cases supporting a wrongful discharge claim. However, it found no claim for termination in violation of public policy. *Id.*, at 635.

²⁸ ASB at 15-16.

1 tortious discharge predicated on a violation of the right to privacy,” it
2 would have been subject to dismissal and leave to amend should be denied
3 as futile.
4

5 *Final Comments*

6 Many Nevada employers conduct post-accident drug and alcohol
7 tests such as the one conducted here. Any limitations on such drug testing
8 should be a matter for the Legislature. However, if the Court, over
9 Palace’s objection, is inclined to recognize a tortious discharge claim such
10 as urged by Ceballos, it should recognize that when Palace terminated
11 him, there was no basis for it to think that it would be facing a cognizable
12 tortious discharge claim. Therefore, while future litigants could benefit
13 from the position advocated by Ceballos, the claim should still be
14 dismissed as to him because “the public policy must be firmly established
15 at the time of termination.”²⁹
16
17
18
19

20 Finally, also part of this appeal is Ceballos’ claim for unlawful
21 discharge under NRS 613.333. Palace has outlined in Respondent’s
22

23
24 ²⁹ *Luck*, 267 Cal.Rptr. at 635. *See, also, Hansen v. Harrah’s*, 100 Nev. 60,
25 65, 675 P.2d 394, 397 (1984) (it is “unfair to punish employers for
26 conduct for which they could not have known beforehand was actionable
27 in this jurisdiction”). At an absolute minimum, as in *Hansen*, any remand
28 by this Court should be with instructions that punitive damages are not
available as a remedy in this case.

1 Answering Brief why the dismissal of this claim should be affirmed.
2
3 However, if the Court were to reverse the District Court on the NRS
4 613.333 claim (it should not), then the tortious discharge cannot proceed
5 because this Court has declined to recognize tortious discharge claims
6 when a sufficiently-comprehensive statutory remedy exists.³⁰ *Shoen* held
7 that the remedy under NRS 50.070(2)(c) was comprehensive enough to
8 preclude a tortious discharge claim.³¹ The damages available under NRS
9 613.333(2) are virtually identical to those under NRS 50.070(2)(c), and
10 thus Ceballos cannot assert a tortious discharge claim as a matter of law if
11 his NRS 613.333 claim is allowed to proceed.
12

13 INVASION OF PRIVACY

14
15 After spending many pages analyzing the elements of common law
16 invasion of privacy, page 20 of ASB contends “Ceballos has stated
17 sufficient facts in his Complaint to establish a . . . *claim for invasion of*
18 *privacy* and make it past a motion to dismiss” (emphasis added).³²
19
20
21

22
23 ³⁰ *Shoen v. Amerco, Inc.*, 111 Nev. 735, 744, 896 P.2d 469, 475 (1995)
(citations omitted).

24 ³¹ *Id.*, at 745.

25 ³² That Ceballos is now apparently seeking to assert an invasion of privacy
26 claim as well as a tortious discharge claim based on a purported invasion
27 of privacy is suggested by the subsequent passage stating, “Ceballos has
28 *also* pleaded sufficient facts to support a claim of tortious discharge based
on the invasion of his privacy.” ASB at p. 21 (emphasis added).

1 The Order plainly states that supplemental briefing is requested
2
3 regarding “whether the complaint states *a claim for tortious discharge*
4 predicated on a violation of the right to privacy” (emphasis added). It is
5 not an invitation for Ceballos to make a case to have the case remanded to
6 the District Court with instructions to allow leave to amend so that a
7 common law invasion of privacy claim can be asserted. Nonetheless,
8 Palace will briefly comment.
9

10 There are four species of privacy tort. Only “unreasonable intrusion
11 upon the seclusion of another” is relevant to this case.³³ Not all
12 expectations of privacy are legally-protected; the intrusion must be “highly
13 offensive to a reasonable person” and the expectation of seclusion or
14 solitude must be “objectively reasonable.”³⁴ There is “a reduced objective
15 expectation of privacy in the workplace.”³⁵
16
17

18 As discussed above, recent enactments to the NRS have indicated
19 that the Legislature has no problems with employee drug testing, or the
20 manner of testing, other than some limits at the pre-hiring stage. An
21
22
23

24 ³³ *People for the Ethical Treatment of Animals v. Bobby Berossini, LTD.*,
25 111 Nev. 615, 629, 895 P.2d 1269, 1278 (1995), *overruled on other*
26 *grounds by*, 940 P.2d 134 (Nev. 1997).

27 ³⁴ *Id.*, 111 Nev. at 631

28 ³⁵ *Id.*, at 633 n. 20 (citation omitted).

1 actionable intrusion upon one's seclusion cannot be based on conduct
2 implicitly or explicitly authorized by statute.

3
4 A few miscellaneous comments. Ceballos likens his drug test to an
5 invasion of home privacy because that is where he claims to have used his
6 drugs.³⁶ He cites a case which involved viewing and photographing an
7 enclosed residential backyard from an airplane flying 1000 feet above the
8 property.³⁷ Hardly the same situation.

9
10 Ceballos claims his position as a Dealer "was far from safety
11 intensive."³⁸ This suggests drug testing should primarily or exclusively
12 occur only when the employee performs duties that have a safety aspect.
13 Ignoring that any employee who is impaired at work could potentially
14 present a safety problem regardless of their job duties, there are concerns
15 beyond safety. For example, Palace (and Nevada regulatory authorities)
16 would not want someone under the influence while dealing blackjack.
17 And again, in recent legislation, the Legislature did not seek to limit drug
18 testing to only employees engaged in safety-sensitive positions.

19
20 Finally, consent is a defense to invasion of privacy and "consent to
21 a drug test may be inferred when an employee provides a urine sample
22

23
24
25
26 ³⁶ ASB, at 14.

27 ³⁷ *California v. Ciraolo*, 476 U.S. 207, 209 (1986).

28 ³⁸ ASB, at 16.

1 upon request and . . . the inference of consent is not negated by the mere
2 fact that refusal to consent may result in termination.”³⁹ Further, accepting
3 employment in a workplace which has drug testing constitutes an implicit
4 agreement to comply with the policy.⁴⁰

5
6 To the extent Ceballos is angling for a remand to the District Court
7 with leave to assert a common law invasion of privacy claim, it should be
8 denied.
9

10 CONCLUSION

11
12 Noting the lack of legislative intent and no statute prohibiting
13 employee drug testing, a dissenting opinion in a case cited by Ceballos
14 stated:
15

16 How can an attempt to create a drug-free
17 environment be against the public policy of this
18 State?

19 . . . While I agree a right to privacy exists in this
20 State, it is subject to a private employer’s right to
21 ensure that their work place is drug free. I
22 believe that an employer is entitled to know
whether his employees are using drugs which

23 ³⁹ *Frye v. IBP, Inc.*, 15 F.Supp.2d 1032, 1041 (D. Kan. 1998). *See, also,*
24 *Lunsford v. Sterlite of Ohio, L.L.C.*, 165 N.E.3d 245, 254 (Ohio 2020)
25 (“employee who consents to drug testing cannot claim that the testing was
highly offensive and invaded his or her right to privacy”).


26 ⁴⁰ *Id.* Further, even if a drug testing policy was adopted post-hire, an at-
27 will employer can prospectively change the terms and conditions of
employment. *Baldonado v. Wynn Las Vegas*, 124 Nev. 951, 194 P.3d 96,
106 (2008).

1 may affect their work performance and, in some
2 cases, the safety of others at the work place.⁴¹

3 Nevada public policy is consistent with the dissenting opinion in
4 *Twigg*. For the reasons set forth herein, and in Respondent's Answering
5 Brief, Palace respectfully requests that this Court affirm the dismissal of
6 the Complaint without any direction to the District Court that Ceballos
7 should be granted leave to amend his Complaint.
8

9
10 Respectfully submitted,

11 **FISHER & PHILLIPS LLP**

12
13 
14 SCOTT M. MAHONEY, ESQ.
15 300 S. Fourth Street
16 Suite 1500
17 Las Vegas, Nevada 89101
18 Attorneys for Respondent
19
20
21
22
23
24
25

26
27 ⁴¹ *Twigg v. Hercules Corporation*, 406 S.E. 52, 57-58 (W. Va. 1990)
28 (dissenting opinion).

CERTIFICATE OF COMPLIANCE

1
2 1. I hereby certify that this brief complies with the formatting
3 requirements of NRAP 32(a)(4), the typeface requirements of NRAP
4 32(a)(5), and the type style requirements of NRAP 32(a)(6) because this
5 brief has been prepared in a proportionally spaced typeface using
6 Microsoft Word 2013 in 14-point Times New Roman font.
7
8

9 2. I further certify that this brief complies with the page or type
10 volume limitations of NRAP 32(a)(7) because, excluding the parts of the
11 brief exempted by NRAP 32(a)(7)(C), it contains 3,052 words.
12

13 3. Finally, I hereby certify that I have read this appellate brief,
14 and to the best of my knowledge, information and belief, it is not frivolous
15 or interposed for any improper purpose. I further certify that this brief
16 complies with all applicable Nevada Rules of Appellate Procedure, in
17 particular NRAP 28(e)(1), which requires every assertion in the brief
18 regarding matters in the record to be supported by a reference to the page
19 and volume number, if any, of the transcript or appendix where the matter
20 relied on is to be found. I understand that I may be subject to sanctions in
21
22
23

24 ///

25 ///

26 ///

1 the event that the accompanying brief is not in conformity with the
2 requirements of the Nevada Rules of Appellate Procedure.
3

4 Dated this 17th day of March 2022.

5 **FISHER & PHILLIPS LLP**

6
7 By: 

8 Scott M. Mahoney, Esq.
9 300 South Fourth Street
10 Suite 1500
11 Las Vegas, NV 89101
12 Attorneys for Respondent
13
14 /
15
16
17
18
19
20
21
22
23
24
25
26
27
28

