

SENATE BILL NO. 175--COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF ATTORNEY GENERAL)

FEBRUARY 12, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Revises penalties for failure of employer to provide and secure or maintain workers' compensation. (BDR 53-301)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: Yes.

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

AN ACT relating to workers' compensation; revising the penalties for the failure of an employer to provide and secure or maintain workers' compensation; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 616D.200 is hereby amended to read as follows:
2 616D.200 1. If the administrator finds that an employer within the
3 provisions of NRS 616B.633 has failed to provide and secure
4 compensation as required by the terms of chapters 616A to 616D,
5 inclusive, of NRS or that the employer has provided and secured that
6 compensation but has failed to maintain it, he shall make a determination
7 thereon and may charge the employer an amount equal to the sum of:
8 (a) The premiums that would otherwise have been owed to the system
9 pursuant to the terms of chapters 616A to 616D, inclusive, of NRS for the
10 period that the employer was doing business in this state without providing,
11 securing or maintaining that compensation, but not to exceed 6 years;
12 (b) The actual costs incurred by the system in reinstating the policy, but
13 not to exceed 10 percent of the premiums owed by the employer; and
14 (c) Interest at a rate determined pursuant to NRS 17.130 computed from
15 the time that the premiums should have been paid.

1 2. The administrator shall deliver a copy of his determination to the
2 employer. An employer who is aggrieved by the determination of the
3 administrator may appeal from the determination pursuant to subsection 2
4 of NRS 616D.220.

5 3. Any employer within the provisions of NRS 616B.633 who fails to
6 provide, secure or maintain compensation as required by the terms of
7 chapters 616A to 616D, inclusive, of NRS, ~~is:~~

8 ~~—(a) For the first offense, guilty of a misdemeanor.~~

9 ~~—(b) For a second or subsequent offense committed within 7 years after~~
10 ~~the previous offense, guilty of a category C felony and shall be punished as~~
11 ~~provided in NRS 193.130.] shall be punished as follows:~~

12 (a) *Except as otherwise provided in paragraph (b), if it is a first*
13 *offense, for a misdemeanor.*

14 (b) *If it is a first offense and, during the period the employer was*
15 *doing business in this state without providing, securing or maintaining*
16 *compensation, one of his employees suffers an injury arising out of and*
17 *in the course of his employment that results in substantial bodily harm to*
18 *the employee or the death of the employee, for a category C felony*
19 *punishable by imprisonment in the state prison for a minimum term of*
20 *not less than 1 year and a maximum term of not more than 5 years and*
21 *by a fine of not less than \$1,000 nor more than \$50,000.*

22 (c) *If it is a second or subsequent offense committed within 7 years*
23 *after the previous offense, for a category C felony punishable by*
24 *imprisonment in the state prison for a minimum term of not less than 1*
25 *year and a maximum term of not more than 5 years and by a fine of not*
26 *less than \$1,000 nor more than \$50,000.*

27 4. *In addition to any other penalty imposed pursuant to paragraph*
28 *(b) or (c) of subsection 3, the court shall order the employer to:*

29 (a) *Pay restitution to an insurer who has incurred costs as a result of*
30 *the violation in an amount equal to the costs that have been incurred*
31 *minus any costs incurred that have otherwise been recovered; and*

32 (b) *Reimburse the uninsured employers' claim fund for all payments*
33 *made from the fund on the employer's behalf, including any benefits,*
34 *administrative costs or attorney's fees paid from the fund, that have not*
35 *otherwise been recovered pursuant to NRS 616C.220.*

36 5. Any criminal penalty imposed *pursuant to subsections 3 and 4* must
37 be in addition to the amount charged pursuant to subsection 1.