SENATE BILL NO. 54-COMMITTEE ON COMMERCE AND LABOR

PREFILED JANUARY 28, 1999

(ON BEHALF OF LEGISLATIVE COMMITTEE ON WORKERS' COMPENSATION)

Referred to Committee on Commerce and Labor

SUMMARY—Requires administrator of division of industrial relations of department of business and industry to provide certain information to department of taxation upon request. (BDR 53-694)

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

~

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

AN ACT relating to industrial insurance; requiring the administrator of the division of industrial relations of the department of business and industry to provide to the department of taxation certain information upon request; 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. NRS 616B.012 is hereby amended to read as follows:
- 616B.012 1. Except as otherwise provided in this section and in NRS
- 3 616B.015, 616B.021 and 616C.205, information obtained from any insurer,
- 4 employer or employee is confidential and may not be disclosed or be open
- to public inspection in any manner which would reveal the person's
- 6 identity.
 - 2. Any claimant or his legal representative is entitled to information
- 8 from the records of the insurer, to the extent necessary for the proper
- 9 presentation of a claim in any proceeding under chapters 616A to 616D,
- inclusive, of NRS.
- 3. The division and administrator are entitled to information from the
- 12 records of the insurer which is necessary for the performance of their
- duties. The administrator may, by regulation, prescribe the manner in which
- 14 otherwise confidential information may be made available to:

- (a) Any agency of this or any other state charged with the administration or enforcement of laws relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial relations;
 - (b) Any state or local agency for the enforcement of child support;
- (c) The Internal Revenue Service of the Department of the Treasury;
 - (d) The department of taxation; and

- (e) The state contractors' board in the performance of its duties to enforce the provisions of chapter 624 of NRS.
- 9 Information obtained in connection with the administration of a program of industrial insurance may be made available to persons or agencies for purposes appropriate to the operation of a program of industrial insurance.
 - 4. Upon written request made by a public officer of a local government, an insurer shall furnish from its records, the name, address and place of employment of any person listed in its records. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. The information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The insurer may charge a reasonable fee for the cost of providing the requested information.
 - 5. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this state may submit to the administrator a written request for the name, address and place of employment of any person listed in the records of an insurer. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of a request, the administrator shall instruct the insurer to furnish the information requested. Upon receipt of such an instruction, the insurer shall furnish the information requested. The insurer may charge a reasonable fee to cover any related administrative expenses.
 - 6. [The] Upon request by the department of taxation, the administrator shall provide [lists]:
 - (a) Lists containing the names and addresses of employers [, the number of employees employed by each employer and the total wages paid by each employer]; and
- 41 (b) Other information concerning employers collected and maintained 42 by the administrator or the division to carry out the purposes of chapters 43 616A to 616D, inclusive, or chapter 617 of

NRS,

to the department [of taxation, upon request,] for its use in verifying returns for the business tax. The administrator may charge a reasonable fee to cover any related administrative expenses.

- 7. Any person who, in violation of this section, discloses information obtained from files of claimants or policyholders, or obtains a list of claimants or policyholders under chapters 616A to 616D, inclusive, of NRS and uses or permits the use of the list for any political purposes, is guilty of a gross misdemeanor.
- 8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of chapters 616A to 616D, inclusive, of NRS.
- **Sec. 2.** Section 6 of Senate Bill No. 92 of this session is hereby amended to read as follows:

- Sec. 6. NRS 616B.012 is hereby amended to read as follows: 616B.012 1. Except as otherwise provided in this section and in NRS 616B.015, 616B.021 and 616C.205, information obtained from any insurer, employer or employee is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's identity.
- 2. Any claimant or his legal representative is entitled to information from the records of the insurer, to the extent necessary for the proper presentation of a claim in any proceeding under chapters 616A to 616D, inclusive, *or chapter 617* of NRS.
- 3. The division and administrator are entitled to information from the records of the insurer which is necessary for the performance of their duties. The administrator may, by regulation, prescribe the manner in which otherwise confidential information may be made available to:
- (a) Any agency of this or any other state charged with the administration or enforcement of laws relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial relations;
- (b) Any state or local agency for the enforcement of child support;
- (c) The Internal Revenue Service of the Department of the Treasury;
 - (d) The department of taxation; and
- (e) The state contractors' board in the performance of its duties to enforce the provisions of chapter 624 of NRS.
- Information obtained in connection with the administration of a
- program of industrial insurance may be made available to persons

or agencies for purposes appropriate to the operation of a program of industrial insurance.

- 4. Upon written request made by a public officer of a local government, an insurer shall furnish from its records [,] the name, address and place of employment of any person listed in its records. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. The information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The insurer may charge a reasonable fee for the cost of providing the requested information.
- 5. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this state may submit to the administrator a written request for the name, address and place of employment of any person listed in the records of an insurer. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of a request, the administrator shall instruct the insurer to furnish the information requested. Upon receipt of such an instruction, the insurer shall furnish the information requested. The insurer may charge a reasonable fee to cover any related administrative expenses.
- 6. Upon request by the department of taxation, the administrator shall provide:
 - (a) Lists containing the names and addresses of employers; and
- (b) Other information concerning employers collected and maintained by the administrator or the division to carry out the purposes of chapters 616A to 616D, inclusive, or chapter 617 of NRS,
- to the department for its use in verifying returns for the business tax. The administrator may charge a reasonable fee to cover any related administrative expenses.
- 7. Any person who, in violation of this section, discloses information obtained from files of claimants or policyholders [,] or obtains a list of claimants or policyholders under chapters 616A to 616D, inclusive, *or chapter 617* of NRS and uses or permits the use

of the list for any political purposes, is guilty of a gross misdemeanor.

8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of chapters 616A to 616D, inclusive, *or chapter 617* of NRS.

Sec. 3. This act becomes effective on July 1, 1999.