

SENATE BILL NO. 92—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF LEGISLATIVE COMMITTEE ON WORKERS' COMPENSATION)

FEBRUARY 3, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Clarifies applicability of provisions governing occupational diseases to various provisions governing industrial insurance. (BDR 53-1078)

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

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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 industrial insurance; clarifying the applicability of the provisions governing occupational diseases to various provisions governing industrial insurance; 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 608.150 is hereby amended to read as follows:
2 608.150 1. Every original contractor making or taking any contract in
3 this state for the erection, construction, alteration or repair of any building
4 or structure, or other work, shall assume and is liable for the indebtedness
5 for labor incurred by any subcontractor or any contractors acting under, by
6 or for the original contractor in performing any labor, construction or other
7 work included in the subject of the original contract, for labor, and for the
8 requirements imposed by chapters 616A to 616D, inclusive, ***and chapter***
9 ***617*** of NRS.
10 2. It is unlawful for any contractor or any other person to fail to comply
11 with the provisions of subsection 1, or to attempt to evade the responsibility
12 imposed thereby, or to do any other act or thing tending to render nugatory
13 the provisions of this section.
14 3. The district attorney of any county wherein the defendant may reside
15 or be found shall institute civil proceedings against any such original contractor
16 failing to comply with the provisions of this section in a civil
17 action for the amount of all wages and damage that may be owing or have

1 accrued as a result of the failure of any subcontractor acting under the
2 original contractor, and any property of the original contractor, not exempt
3 by law, is subject to attachment and execution for the payment of any
4 judgment that may be recovered in any action under the provisions of this
5 section.

6 **Sec. 2.** NRS 612.530 is hereby amended to read as follows:

7 612.530 1. Within 10 days after the decision of the board of review
8 has become final, any party aggrieved thereby or the administrator may
9 secure judicial review thereof by commencing an action in the district court
10 of the county wherein the appealed claim or claims were filed against the
11 administrator for the review of the decision, in which action any other party
12 to the proceedings before the board of review must be made a defendant.

13 2. In such action, a petition which need not be verified, but which must
14 state the grounds upon which a review is sought, must be served upon the
15 administrator, unless he is the appellant, or upon such person as he may
16 designate, and such service shall be deemed completed service on all
17 parties, but there must be left with the party so served as many copies of the
18 petition as there are defendants, and the administrator shall forthwith mail
19 one such copy to each such defendant.

20 3. With his answer or petition, the administrator shall certify and file
21 with the court originals or true copies of all documents and papers and a
22 transcript of all testimony taken in the matter, together with the board of
23 review's findings of fact and decision therein. The administrator may also,
24 in his discretion, certify to the court questions of law involved in any
25 decision.

26 4. In any judicial proceedings under this section, the finding of the
27 board of review as to the facts, if supported by evidence and in the absence
28 of fraud, is conclusive, and the jurisdiction of the court is confined to
29 questions of law.

30 5. Such actions, and the questions so certified, must be heard in a
31 summary manner and must be given precedence over all other civil cases
32 except cases arising under chapters 616A to 616D, inclusive, **or chapter**
33 **617** of NRS.

34 6. An appeal may be taken from the decision of the district court to the
35 supreme court of Nevada, in the same manner, but not inconsistent with the
36 provisions of this chapter, as is provided in civil cases.

37 7. It is not necessary, in any judicial proceeding under this section, to
38 enter exceptions to the rulings of the board of review, and no bond may be
39 required for entering such appeal.

40 8. Upon the final determination of such judicial proceeding, the board
41 of review shall enter an order in accordance with the determination.

42 9. A petition for judicial review does not act as a supersedeas or stay
43 unless the board of review so orders.

1 **Sec. 3.** NRS 616A.410 is hereby amended to read as follows:

2 616A.410 1. The administrator may prosecute, defend and maintain
3 actions in the name of the administrator for the enforcement of the
4 provisions of chapters 616A to 616D, inclusive, **or chapter 617** of NRS
5 and is entitled to all extraordinary writs provided by the constitution of the
6 State of Nevada, the statutes of this state and the Nevada Rules of Civil
7 Procedure in connection therewith for the enforcement thereof.

8 2. Verification of any pleading, affidavit or other paper required may
9 be made by the administrator.

10 3. In any action or proceeding or in the prosecution of any appeal by
11 the administrator, no bond or undertaking need be furnished by the
12 administrator.

13 **Sec. 4.** NRS 616A.420 is hereby amended to read as follows:

14 616A.420 1. The administrator may enter into agreements or
15 compacts with appropriate agencies, bureaus, boards or commissions of
16 other states concerning matters of mutual interest, extraterritorial problems
17 in the administration of chapters 616A to 616D, inclusive, **or chapter 617**
18 of NRS, and ~~{for the purpose of eliminating}~~ **to eliminate** duplicate claims
19 or benefits.

20 2. The insurer may provide liability insurance coverage against any
21 risks of double liability on the part of employers subject to chapters 616A
22 to 616D, inclusive, **or chapter 617** of NRS, for the same accident or injury.

23 **Sec. 5.** NRS 616A.475 is hereby amended to read as follows:

24 616A.475 1. Every employer insured by the system shall furnish the
25 system or the administrator, upon request, all information required to carry
26 out the purposes of chapters 616A to 616D, inclusive, **or chapter 617** of
27 NRS. The administrator, or any person employed by the administrator for
28 that purpose, may examine, under oath, any employer or officer, agent or
29 employee thereof.

30 2. Every self-insured employer, association of self-insured public or
31 private employers or private carrier shall furnish to the administrator, upon
32 request, all information required to carry out the purposes of chapters 616A
33 to 616D, inclusive, **or chapter 617** of NRS. The administrator or any
34 person employed by him for that purpose, may examine, under oath, any
35 employer or officer, agent or employee thereof.

36 3. Every insured employer shall keep on hand constantly a sufficient
37 supply of blank forms furnished by the insurer.

38 **Sec. 6.** NRS 616B.012 is hereby amended to read as follows:

39 616B.012 1. Except as otherwise provided in this section and in NRS
40 616B.015, 616B.021 and 616C.205, information obtained from any insurer,
41 employer or employee is confidential and may not be disclosed or be open to public
42 inspection in any manner which would reveal the person's
43 identity.

1 2. Any claimant or his legal representative is entitled to information
2 from the records of the insurer, to the extent necessary for the proper
3 presentation of a claim in any proceeding under chapters 616A to 616D,
4 inclusive, **or chapter 617** of NRS.

5 3. The division and administrator are entitled to information from the
6 records of the insurer which is necessary for the performance of their
7 duties. The administrator may, by regulation, prescribe the manner in which
8 otherwise confidential information may be made available to:

9 (a) Any agency of this or any other state charged with the administration
10 or enforcement of laws relating to industrial insurance, unemployment
11 compensation, public assistance or labor law and industrial relations;

12 (b) Any state or local agency for the enforcement of child support;

13 (c) The Internal Revenue Service of the Department of the Treasury;

14 (d) The department of taxation; and

15 (e) The state contractors' board in the performance of its duties to
16 enforce the provisions of chapter 624 of NRS.

17 Information obtained in connection with the administration of a program of
18 industrial insurance may be made available to persons or agencies for
19 purposes appropriate to the operation of a program of industrial insurance.

20 4. Upon written request made by a public officer of a local
21 government, an insurer shall furnish from its records ~~the~~ the name, address
22 and place of employment of any person listed in its records. The request
23 must set forth the social security number of the person about whom the
24 request is made and contain a statement signed by proper authority of the
25 local government certifying that the request is made to allow the proper
26 authority to enforce a law to recover a debt or obligation owed to the local
27 government. The information obtained by the local government is
28 confidential and may not be used or disclosed for any purpose other than
29 the collection of a debt or obligation owed to that local government. The
30 insurer may charge a reasonable fee for the cost of providing the requested
31 information.

32 5. To further a current criminal investigation, the chief executive
33 officer of any law enforcement agency of this state may submit to the
34 administrator a written request for the name, address and place of
35 employment of any person listed in the records of an insurer. The request
36 must set forth the social security number of the person about whom the
37 request is made and contain a statement signed by the chief executive
38 officer certifying that the request is made to further a criminal investigation
39 currently being conducted by the agency. Upon receipt of a request, the
40 administrator shall instruct the insurer to furnish the information requested.
41 Upon receipt of such an instruction, the insurer shall furnish the information
42 requested. The insurer may charge a reasonable fee to cover
43 any related administrative expenses.

1 6. The administrator shall provide lists containing the names and
2 addresses of employers, the number of employees employed by each
3 employer and the total wages paid by each employer to the department of
4 taxation, upon request, for its use in verifying returns for the business tax.
5 The administrator may charge a reasonable fee to cover any related
6 administrative expenses.

7 7. Any person who, in violation of this section, discloses information
8 obtained from files of claimants or policyholders ~~§~~ or obtains a list of
9 claimants or policyholders under chapters 616A to 616D, inclusive, **or**
10 **chapter 617** of NRS and uses or permits the use of the list for any political
11 purposes, is guilty of a gross misdemeanor.

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

18 **Sec. 7.** NRS 616B.015 is hereby amended to read as follows:

19 616B.015 1. Except as otherwise provided in subsection 2, the
20 records and files of the division concerning self-insured employers and
21 associations of self-insured public or private employers are confidential and
22 may be revealed in whole or in part only in the course of the administration
23 of the provisions of chapters 616A to 616D, inclusive, **or chapter 617** of
24 NRS relating to those employers or upon the lawful order of a court of
25 competent jurisdiction.

26 2. The records and files specified in subsection 1 are not confidential in
27 the following cases:

28 (a) Testimony by an officer or agent of the division and the production
29 of records and files on behalf of the division in any action or proceeding
30 conducted pursuant to the provisions of chapters 616A to 616D, inclusive,
31 **or chapter 617** of NRS if that testimony or the records and files, or the
32 facts shown thereby, are involved in the action or proceeding.

33 (b) Delivery to a self-insured employer or an association of self-insured
34 public or private employers of a copy of any document filed by the
35 employer with the division pursuant to the provisions of chapters 616A to
36 616D, inclusive, **or chapter 617** of NRS.

37 (c) Publication of statistics if classified so as to prevent:

38 (1) Identification of a particular employer or document; or

39 (2) Disclosure of the financial or business condition of a particular
40 employer or insurer.

41 (d) Disclosure in confidence, without further distribution or disclosure
42 to any other person, to:

1 (1) The governor or his agent in the exercise of the governor's general
2 supervisory powers;

3 (2) Any person authorized to audit the accounts of the division in
4 pursuance of an audit;

5 (3) The attorney general or other legal representative of the state in
6 connection with an action or proceeding conducted pursuant to the
7 provisions of chapters 616A to 616D, inclusive, **or chapter 617** of NRS;

8 (4) Any agency of this or any other state charged with the
9 administration or enforcement of the laws relating to workers'
10 compensation or unemployment compensation; or

11 (5) Any federal, state or local law enforcement agency.

12 (e) Disclosure in confidence by a person who receives information
13 pursuant to paragraph (d) to a person in furtherance of the administration or
14 enforcement of the laws relating to workers' compensation or
15 unemployment compensation.

16 3. As used in this section:

17 (a) "Division" means the division of insurance of the department of
18 business and industry.

19 (b) "Records and files" means:

20 (1) All credit reports, references, investigative records, financial
21 information and data pertaining to the net worth of a self-insured employer
22 or association of self-insured public or private employers; and

23 (2) All information and data required by the division to be furnished
24 to it pursuant to chapters 616A to 616D, inclusive, **or chapter 617** of NRS
25 or which may be otherwise obtained relative to the finances, earnings,
26 revenue, trade secrets or the financial condition of any self-insured
27 employer or association of self-insured public or private employers.

28 **Sec. 8.** NRS 616B.059 is hereby amended to read as follows:

29 616B.059 There is no liability in a private capacity on the part of the
30 manager while carrying out his duties pursuant to chapters 616A to 616D,
31 inclusive, **or chapter 617** of NRS.

32 **Sec. 9.** NRS 616B.074 is hereby amended to read as follows:

33 616B.074 Subject to the limitations of chapters 616A to 616D,
34 inclusive, **and chapter 617** of NRS and the budget prescribed by the
35 manager, the system must be administered by the manager, assistant
36 managers, and a staff appointed by the manager.

37 **Sec. 10.** NRS 616B.089 is hereby amended to read as follows:

38 616B.089 The State of Nevada is not liable for the payment of any
39 compensation or any salaries or expenses in the administration of chapters
40 616A to 616D, inclusive, **or chapter 617** of NRS, but is responsible for the
41 safety and preservation of the state insurance fund.

1 **Sec. 11.** NRS 616B.095 is hereby amended to read as follows:
2 616B.095 If the provisions of NRS 616B.218, 616B.224 and
3 616B.230 for the creation of a state insurance fund, or the provisions of
4 chapters 616A to 616D, inclusive, **or chapter 617** of NRS making the
5 compensation to the workman provided in those chapters exclusive of any
6 other remedy on the part of the workman, ~~{shall be}~~ **are** held invalid, each
7 of those chapters ~~{shall}~~ **must** be thereby invalidated, except the provisions
8 of NRS 616B.101, and an accounting according to the justice of the case
9 ~~{shall}~~ **must** be had on ~~{moneys}~~ **money** received. In other respects an
10 adjudication of invalidity of any part of this chapter or chapter 616A, 616C
11 , ~~for~~ 616D **or 617** of NRS ~~{shall}~~ **must** not affect the validity of any of
12 those chapters as a whole or any part thereof.

13 **Sec. 12.** NRS 616B.167 is hereby amended to read as follows:
14 616B.167 The manager:

- 15 1. Has full power, authority and jurisdiction over the system.
- 16 2. May perform all acts necessary or convenient in the exercise of any
17 power, authority or jurisdiction over the system, either in the administration
18 of the system or in connection with the business of insurance to be carried
19 on by the system under the provisions of chapters 616A to 616D, inclusive,
20 **or chapter 617** of NRS, including the establishment of premium rates.
- 21 3. May appoint in the unclassified service of the state no more than five
22 persons ~~{,}~~ engaged in management ~~{,}~~ who report directly to the manager
23 or an assistant manager. The manager shall designate these positions ~~{,}~~ and
24 may not change them without the approval of the personnel commission.
25 These persons are entitled to receive annual salaries fixed by the manager.

26 **Sec. 13.** NRS 616B.191 is hereby amended to read as follows:
27 616B.191 In addition to any other agreements authorized by the
28 provisions of chapters 616A to 616D, inclusive, **or chapter 617** of NRS,
29 the manager may contract with private persons for the provision of any
30 services necessary or appropriate to carry out the functions and duties of
31 the system. The contracts must be awarded pursuant to reasonable
32 competitive bidding procedures as established by the manager.

33 **Sec. 14.** NRS 616B.194 is hereby amended to read as follows:

34 616B.194 Each insurer shall cooperate with the commissioner in the
35 performance of his duties pursuant to chapters 616A to 616D, inclusive, **or**
36 **chapter 617** of NRS. Each private carrier and the system shall provide the
37 commissioner with any information, statistics or data in its records which
38 pertain to any employer who is making an application to become self-
39 insured or who is self-insured, or who is becoming or who is a member of
40 an association of self-insured public or private employers.

1 **Sec. 15.** NRS 616B.224 is hereby amended to read as follows:

2 616B.224 1. Every employer who is not a self-insured employer or a
3 member of an association of self-insured public or private employers shall,
4 at intervals established by his insurer, furnish the insurer with a true and
5 accurate payroll showing:

6 (a) The total amount paid to employees for services performed;

7 (b) The amount of tips reported to him by every employee pursuant to
8 26 U.S.C. § 6053(a) whose tips in cash totaled \$20 or more; and

9 (c) A segregation of employment in accordance with the requirements of
10 the commissioner,

11 together with the premium due thereon. The payroll and premium must be
12 furnished to the insurer on or before the date established by the insurer for
13 the receipt of the payroll and premium.

14 2. Any employer by agreement in writing with the insurer may arrange
15 for the payment of premiums in advance at an interval established by the
16 insurer.

17 3. Failure of any employer to comply with the provisions of this section
18 and NRS 616B.218 operates as a rejection of chapters 616A to 616D,
19 inclusive, **and chapter 617** of NRS, effective at the expiration of the period
20 covered by his estimate. The insurer shall notify the administrator of each
21 such rejection.

22 4. If an audit of the accounts or actual payroll of an employer shows
23 that the actual premium earned exceeds the estimated premium paid in
24 advance, the insurer may require the payment of money sufficient to cover
25 the deficit, together with such amount as in his judgment constitutes an
26 adequate advance premium for the period covered by the estimate.

27 5. The insurer shall notify any employer or his representative by first-
28 class mail of any failure on his part to comply with the provisions of this
29 section. The notice or its omission does not modify or waive the
30 requirements or effective rejection of chapters 616A to 616D, inclusive,
31 **and chapter 617** of NRS as otherwise provided in those chapters.

32 6. The system may impose a penalty not to exceed 10 percent of the
33 premiums which are due for the failure of an employer insured by the
34 system to submit the information and premium required in subsection 1
35 within the time allowed, unless the employer has applied for and been
36 granted an extension of that time by the manager.

37 7. To the extent permitted by federal law, the insurer shall vigorously
38 pursue the collection of premiums that are due under the provisions of
39 chapters 616A to 616D, inclusive, **and chapter 617** of NRS even if an
40 employer's debts have been discharged in a bankruptcy proceeding.

1 **Sec. 16.** NRS 616B.227 is hereby amended to read as follows:

2 616B.227 1. An employer shall:

3 (a) Make a copy of each report that an employee files with the employer
4 pursuant to 26 U.S.C. § 6053(a) to report the amount of his tips to the
5 United States Internal Revenue Service;

6 (b) Submit the copy to the system or private carrier upon request and
7 retain another copy for his records or, if the employer is self-insured or a
8 member of an association of self-insured public or private employers, retain
9 the copy for his records; and

10 (c) If he is not self-insured or a member of an association of self-insured
11 public or private employers, pay the system or private carrier the premiums
12 for the reported tips at the same rate as he pays on regular wages.

13 2. The division shall adopt regulations specifying the form of the
14 declaration required pursuant to subsection 1.

15 3. The system, private carrier, self-insured employer or association
16 shall calculate compensation for an employee on the basis of wages paid by
17 the employer plus the amount of tips reported by the employee pursuant to
18 26 U.S.C. § 6053. Reports made after the date of injury may not be used
19 for the calculation of compensation.

20 4. An employer shall notify his employees of the requirement to report
21 income from tips ~~[for the purposes of calculating]~~ **to calculate** his federal
22 income tax and ~~[for including]~~ **to include** the income in the computation of
23 benefits pursuant to chapters 616A to 616D, inclusive, **and chapter 617** of
24 NRS.

25 5. The administrator shall adopt such regulations as are necessary to
26 carry out the provisions of this section.

27 **Sec. 17.** NRS 616B.239 is hereby amended to read as follows:

28 616B.239 1. At any time within 3 years after:

29 (a) Any premium or any amount of a premium required by chapters
30 616A to 616D, inclusive, **or chapter 617** of NRS becomes due;

31 (b) The delinquency of any premium or any amount of a premium
32 required by chapters 616A to 616D, inclusive, or chapter 617 of NRS; or

33 (c) The recording of a certificate pursuant to NRS 616B.257,
34 the manager or his authorized representative may bring an action in the
35 courts of this state, or any other state, or of the United States, in the name
36 of the system, to collect the amount delinquent together with penalties and
37 interest.

38 2. In the action a writ of attachment may issue, and no bond or affidavit
39 previous to the issuing of the attachment is required.

40 3. In the action, a certificate by the manager showing the delinquency is prima
41 facie evidence of the determination of the premium due, of the
42 delinquency of the amounts set forth, and of the compliance by the manager

1 with all the provisions of chapters 616A to 616D, inclusive, **and chapter**
2 **617** of NRS in relation to the computation and determination of the
3 amounts.

4 **Sec. 18.** NRS 616B.248 is hereby amended to read as follows:

5 616B.248 1. Whenever the manager finds that the collection of any
6 premium computed pursuant to the provisions of chapters 616A to 616D,
7 inclusive, **or chapter 617** of NRS will be jeopardized by delay, he may
8 immediately assess the premium and all penalties and interest which may
9 have accrued, whether or not the final date otherwise prescribed for making
10 the premium has arrived. Upon assessment, the premium is immediately
11 due, the premium and all penalties and interest which may have accrued are
12 immediately payable ~~to the manager~~ and notice of demand for payment must be made
13 upon the employer. If the employer fails or refuses to pay the assessed
14 premium, penalties and interest, collection of the payment may be enforced
15 according to the provisions of law applicable to the collection of unpaid
16 premiums.

17 2. When a jeopardy assessment has been made as provided in
18 subsection 1, the employer may stay its collection until such time as the
19 premiums for the period in question would normally become due ~~to the manager~~ by
20 filing a bond with the manager which is executed by the employer as
21 principal ~~to the manager~~ and by an insurer authorized pursuant to chapter 680A of NRS
22 as surety ~~to the manager~~ payable to the system and conditioned on the payment of the
23 premium at the proper time. The amount of the required security must be
24 equal to the amount of the assessment ~~to the manager~~ rounded off to the next larger
25 integral multiple of \$100.

26 3. In lieu of a bond, the employer may deposit with the manager a like
27 amount of lawful money of the United States or any other form of security
28 authorized by NRS 100.065. If security is provided in the form of a savings
29 certificate, certificate of deposit or investment certificate, the certificate
30 must state that the amount is not available for withdrawal except upon order
31 of the manager.

32 **Sec. 19.** NRS 616B.254 is hereby amended to read as follows:

33 616B.254 1. As used in this section, "person" includes this state ~~and~~
34 and any county, municipality, district or other political subdivision thereof.

35 2. If any employer is delinquent in the payment of the amount of any
36 premium, penalty or interest required by chapters 616A to 616D, inclusive,
37 **or chapter 617** of NRS or a determination has been made against him
38 which remains unpaid, the manager may, not later than 3 years after the
39 payment became delinquent or within 6 years after the recording of a
40 judgment pursuant to NRS 616B.266, give notice of the amount of the
41 delinquency personally or by registered or certified mail to any person having in his
42 possession or under his control any money, credits or other
43 personal property belonging to the delinquent employer ~~to the manager~~ or owing any

1 debts to the delinquent employer at the time of the receipt of the registered
2 or certified notice. In the case of any state officer, department or agency,
3 the notice must be given to the officer, department or agency before it
4 presents the claim of the delinquent employer to the state controller.

5 3. A state officer, department or agency which receives such a notice
6 may satisfy any debt owed to it by that person before it honors the
7 manager's notice.

8 4. After receiving the notice, a person so notified may not transfer or
9 otherwise dispose of the money, credits, other personal property ~~or~~ or debts
10 in his possession or under his control at the time he received the notice until
11 the manager consents to a transfer or other disposition in writing, or until
12 30 days after the receipt of the notice, whichever period expires earlier.

13 5. A person so notified shall, within 5 days after receipt of the notice,
14 inform the manager of all money, credits, other personal property ~~or~~ or
15 debts belonging to the delinquent employer in his possession, under his
16 control or owing by him.

17 6. If the notice seeks to prevent the transfer or other disposition of a
18 deposit in a bank or other credits or personal property in the possession or
19 under the control of a bank, the notice must be delivered or mailed to the
20 branch or office of the bank at which the deposit is carried or at which the
21 credits or personal property is held.

22 7. If, during the effective period of the notice to withhold, any person
23 so notified makes any transfer or other disposition of the property or debts
24 required to be withheld, to the extent of the value of the property or the
25 amount of the debts thus transferred or paid, he is liable to the state for any
26 indebtedness due pursuant to chapters 616A to 616D, inclusive, **or chapter**
27 **617** of NRS from the person with respect to whose obligation the notice
28 was given if solely by reason of the transfer or other disposition the state is
29 unable to recover the indebtedness of the person with respect to whose
30 obligation the notice was given.

31 8. Upon the demand of the manager, the person shall remit or deliver
32 to the manager the money, credit or other personal property up to the
33 amount owed by the delinquent employer.

34 **Sec. 20.** NRS 616B.257 is hereby amended to read as follows:

35 616B.257 If any amount required to be paid to the system pursuant to
36 the provisions of chapters 616A to 616D, inclusive, **or chapter 617** of NRS
37 is not paid when due, the manager may, within 3 years after the amount is
38 due, file in the office of the clerk of any court of competent jurisdiction a
39 certificate specifying the amount required to be paid, interest and penalties
40 due, the name and address of the employer liable for the payment, as it
41 appears on the records of the system, the manager's compliance with the applicable
42 provisions of chapters 616A to 616D, inclusive, **or chapter 617**
43 of NRS in relation to the determination of the amount required to be paid

1 ~~It~~ and a request that judgment be entered against the employer in the
2 amount required to be paid, including interest and penalties, as set forth in
3 the certificate.

4 **Sec. 21.** NRS 616B.269 is hereby amended to read as follows:

5 616B.269 Except as otherwise provided in NRS 616D.210:

6 1. If any business which is liable for any amount required to be paid
7 pursuant to chapters 616A to 616D, inclusive, **or chapter 617** of NRS sells
8 out its business, or any portion of its business, or stock of goods, or quits
9 the business, its successors or assigns shall withhold a sufficient portion of
10 the purchase price to cover that amount until the former owner produces a
11 receipt from the manager showing that it has been paid or a certificate
12 stating that no amount is due.

13 2. If the purchaser of a business, or any portion of a business, or stock
14 of goods fails to withhold from the purchase price the amount required by
15 subsection 1, he becomes personally liable for the payment of the amount
16 required to be withheld by him to the extent of the purchase price, valued in
17 money. Within 60 days after receiving a written request from the purchaser
18 for a certificate, or within 60 days after the date the former owner's records
19 are made available for audit, whichever period expires later, but not later
20 than 90 days after receiving the request, the manager shall issue the
21 certificate or mail a notice to the purchaser at his address as it appears on
22 the records of the manager, of the amount that must be paid as a condition
23 of issuing the certificate.

24 3. Failure of the manager to mail the notice releases the purchaser from
25 any further obligation to withhold any portion of the purchase price.

26 4. The time within which the obligation of a successor may be enforced
27 begins at the time the person or business sells out its business or stock of
28 goods or at the time that the determination against the person or business
29 becomes final, whichever occurs later.

30 **Sec. 22.** NRS 616B.318 is hereby amended to read as follows:

31 616B.318 1. The commissioner shall impose an administrative fine,
32 not to exceed \$1,000 for each violation, and:

33 (a) Shall withdraw the certification of a self-insured employer if:

34 (1) The deposit required pursuant to NRS 616B.300 is not sufficient
35 and the employer fails to increase the deposit after he has been ordered to
36 do so by the commissioner;

37 (2) The self-insured employer fails to provide evidence of excess
38 insurance pursuant to NRS 616B.300 within 45 days after he has been so
39 ordered; or

40 (3) The employer becomes insolvent, institutes any voluntary
41 proceeding under the Bankruptcy Act or is named in any involuntary
42 proceeding thereunder.

(b) May withdraw the certification of a self-insured employer if:

(1) The employer intentionally fails to comply with regulations of the commissioner regarding reports or other requirements necessary to carry out the purposes of chapters 616A to 616D, inclusive, **and chapter 617** of NRS;

(2) The employer violates the provisions of subsection 2 of NRS 616B.500 or any regulation adopted by the commissioner or the administrator concerning the administration of the employer's plan of self-insurance; or

(3) The employer makes a general or special assignment for the benefit of creditors or fails to pay compensation after an order for payment of any claim becomes final.

2. Any employer whose certification as a self-insured employer is withdrawn must, on the effective date of the withdrawal, qualify as an employer pursuant to NRS 616B.650.

3. The commissioner may, upon the written request of an employer whose certification as a self-insured employer is withdrawn pursuant to subparagraph (3) of paragraph (a) of subsection 1, reinstate the employer's certificate for a reasonable period to allow the employer sufficient time to provide industrial insurance for his employees.

Sec. 23. NRS 616B.324 is hereby amended to read as follows:

616B.324 A person who is employed by or contracts with a self-insured employer to administer the plan of self-insurance is an agent of the self-insured employer, and if he violates any provision of this chapter or chapter 616A, 616C, ~~for~~ 616D **or 617** of NRS, the self-insured employer is liable for any penalty assessed because of that violation.

Sec. 24. NRS 616B.362 is hereby amended to read as follows:

616B.362 1. An association certified as an association of self-insured public or private employers directly assumes the responsibility for providing compensation due the employees of the members of the association and their beneficiaries under chapters 616A to 617, inclusive, of NRS.

2. An association is not required to pay the premiums required of other employers pursuant to chapters 616A to 617, inclusive, of NRS but is relieved from other liability for personal injury to the same extent as are other employers.

3. The claims of employees and their beneficiaries resulting from injuries while in the employment of a member of an association must be handled in the manner provided by chapters 616A to 616D, inclusive, of NRS, and the association is subject to the regulations of the division with respect thereto.

1 4. The security deposited pursuant to NRS 616B.353 does not relieve
2 an association from responsibility for the administration of claims and
3 payment of compensation under chapters 616A to ~~616D,~~ **617**, inclusive,
4 of NRS.

5 **Sec. 25.** NRS 616B.428 is hereby amended to read as follows:

6 616B.428 1. The commissioner may impose an administrative fine
7 for each violation of any provision of NRS 616B.350 to 616B.446,
8 inclusive, or any regulation adopted pursuant thereto. Except as otherwise
9 provided in those sections, the amount of the fine may not exceed \$1,000
10 for each violation or an aggregate amount of \$10,000.

11 2. The commissioner may withdraw the certificate of an association of
12 self-insured public or private employers if:

13 (a) The association's certificate was obtained by fraud;

14 (b) The application for certification contained a material
15 misrepresentation;

16 (c) The association is found to be insolvent;

17 (d) The association fails to have five or more members;

18 (e) The association fails to pay the costs of any examination or any
19 penalty, fee or assessment required by the provisions of chapters 616A to
20 616D, inclusive, **or chapter 617** of NRS;

21 (f) The association fails to comply with any of the provisions of this
22 chapter or chapter 616A, 616C , ~~for~~ 616D **or chapter 617** of NRS, or any
23 regulation adopted pursuant thereto;

24 (g) The association fails to comply with any order of the commissioner
25 within the time prescribed by the provisions of chapters 616A to 616D,
26 inclusive, **or chapter 617** of NRS or in the order of the commissioner; or

27 (h) The association or its third-party administrator misappropriates,
28 converts, illegally withholds or refuses to pay any money to which a person
29 is entitled and that was entrusted to the association in its fiduciary capacity.

30 3. If the commissioner withdraws the certification of an association of
31 self-insured public or private employers, each employer who is a member
32 of the association remains liable for his obligations incurred before and
33 after the order of withdrawal.

34 4. Any employer who is a member of an association whose certification
35 is withdrawn shall, on the effective date of the withdrawal, qualify as an
36 employer pursuant to NRS 616B.650.

37 **Sec. 26.** NRS 616B.503 is hereby amended to read as follows:

38 616B.503 1. A person shall not act as a third-party administrator for
39 an insurer without a certificate issued by the commissioner pursuant to NRS
40 683A.085.

1 2. A person who acts as a third-party administrator pursuant to chapters
2 616A to 616D, inclusive, **or chapter 617** of NRS shall:

3 (a) Administer from one or more offices located in this state all of the
4 claims arising under each plan of insurance that he administers and
5 maintain in those offices all of the records concerning those claims;

6 (b) Administer each plan of insurance directly, without subcontracting
7 with another third-party administrator; and

8 (c) Upon the termination of his contract with an insurer, transfer
9 forthwith to a certified third-party administrator chosen by the insurer all of
10 the records in his possession concerning claims arising under the plan of
11 insurance.

12 3. The commissioner may, under exceptional circumstances, waive the
13 requirements of subsection 2.

14 **Sec. 27.** NRS 616B.506 is hereby amended to read as follows:

15 616B.506 The commissioner shall impose an administrative fine, not to
16 exceed \$1,000 for each violation, and may withdraw the certification of any
17 third-party administrator who:

18 1. Fails to comply with regulations of the commissioner regarding
19 reports or other requirements necessary to carry out the purposes of
20 chapters 616A to 616D, inclusive, **or chapter 617** of NRS; or

21 2. Violates any provision of NRS 616B.503 or any regulation adopted
22 by the commissioner or the administrator concerning the administration of
23 the plan of insurance.

24 **Sec. 28.** NRS 616B.600 is hereby amended to read as follows:

25 616B.600 1. Except as limited in subsection 3, any employee who
26 has been hired outside of this state and his employer are exempted from the
27 provisions of chapters 616A to 616D, inclusive, **and chapter 617** of NRS
28 while the employee is temporarily within this state doing work for his
29 employer if his employer has furnished industrial insurance pursuant to the
30 ~~Industrial insurance act~~ **Nevada Industrial Insurance Act** or similar laws
31 of a state other than Nevada so as to cover the employee's employment
32 while in this state ~~if~~ if:

33 (a) The extraterritorial provisions of chapters 616A to 616D, inclusive,
34 **and chapter 617** of NRS are recognized in the other state; and

35 (b) Employers and employees who are covered in this state are likewise
36 exempted from the application of the ~~Industrial insurance act~~ **Nevada**
37 **Industrial Insurance Act** or similar laws of the other state.

38 The benefits provided in the ~~Industrial insurance act~~ **Nevada Industrial**
39 **Insurance Act** or similar laws of the other state are the exclusive remedy
40 against the employer for any injury, whether resulting in death or not,
41 received by the employee while working for the employer in this state.

1 2. A certificate from the administrator or similar officer of another
2 state certifying that the employer of the other state is insured therein and
3 has provided extraterritorial coverage insuring his employees while
4 working within this state is prima facie evidence that the employer carried
5 the industrial insurance.

6 3. The exemption provided for in this section does not apply to the
7 employees of a contractor, as defined in NRS 624.020, operating within the
8 scope of his license.

9 4. An employer is not required to maintain coverage for industrial
10 insurance in this state for an employee who has been hired or is regularly
11 employed in this state, but who is performing work exclusively in another
12 state, if the other state requires the employer to provide coverage for the
13 employee in the other state. If the employee receives personal injury by
14 accident arising out of and in the course of his employment, any claim for
15 compensation must be filed in the state in which the accident occurred, and
16 such compensation is the exclusive remedy of the employee or his
17 dependents. This subsection does not prevent an employer from
18 maintaining coverage for the employee pursuant to the provisions of
19 chapters 616A to 616D, inclusive, **and chapter 617** of NRS.

20 **Sec. 29.** NRS 616B.662 is hereby amended to read as follows:

21 616B.662 An employer having come under chapters 616A to 616D,
22 inclusive, **or chapter 617** of NRS who thereafter elects to reject the terms,
23 conditions and provisions of those chapters is not relieved from the
24 payment of premiums to the insurer before the time his notice of rejection
25 becomes effective if any are due. The premiums may be recovered in an
26 action at law.

27 **Sec. 30.** NRS 616C.070 is hereby amended to read as follows:

28 616C.070 1. A person is conclusively presumed to be totally
29 dependent upon an injured or deceased employee if the person is a natural,
30 posthumous or adopted child, whether legitimate or illegitimate, under the
31 age of 18 years, or over that age if physically or mentally incapacitated
32 from wage earning, and there is no surviving parent. Stepparents may be
33 regarded in chapters 616A to 616D, inclusive, **or chapter 617** of NRS as
34 parents if the fact of dependency is shown, and a stepchild or stepchildren
35 may be regarded in chapters 616A to 616D, inclusive, **or chapter 617** of
36 NRS as a natural child or children if the existence and fact of dependency
37 are shown.

38 2. Except as otherwise provided in subsection 13 of NRS 616C.505,
39 questions as to who constitute dependents and the extent of their dependency must
40 be determined as of the date of the accident or injury to
41 the employee, and their right to any benefit becomes fixed at that time,

1 irrespective of any subsequent change in conditions, and the benefits are
2 directly recoverable by and payable to the dependent or dependents entitled
3 thereto ~~[-]~~ or to their legal guardians or trustees.

4 3. The presumptions of this section do not apply in favor of aliens who
5 are nonresidents of the United States at the time of the accident, injury to,
6 or death of the employee.

7 **Sec. 31.** NRS 616C.090 is hereby amended to read as follows:

8 616C.090 1. The administrator shall establish a panel of physicians
9 and chiropractors who have demonstrated special competence and interest
10 in industrial health to treat injured employees under chapters 616A to
11 616D, inclusive, **or chapter 617** of NRS. Every employer whose insurer
12 has not entered into a contract with an organization for managed care
13 pursuant to NRS 616B.515 shall maintain a list of those physicians and
14 chiropractors on the panel who are reasonably accessible to his employees.

15 2. An injured employee whose insurer has not entered into a contract
16 with an organization for managed care may choose his treating physician or
17 chiropractor from the panel of physicians and chiropractors. If the injured
18 employee is not satisfied with the first physician or chiropractor he so
19 chooses, he may make an alternative choice of physician or chiropractor
20 from the panel if the choice is made within 90 days after his injury. The
21 insurer shall notify the first physician or chiropractor in writing. The notice
22 must be postmarked within 3 working days after the insurer receives
23 knowledge of the change. The first physician or chiropractor must be
24 reimbursed only for the services he rendered to the injured employee up to
25 and including the date of notification. Any further change is subject to the
26 approval of the insurer, which must be granted or denied within 10 days
27 after a written request for such a change is received from the injured
28 employee. If no action is taken on the request within 10 days, the request
29 shall be deemed granted. Any request for a change of physician or
30 chiropractor must include the name of the new physician or chiropractor
31 chosen by the injured employee.

32 3. An injured employee employed or residing in any county in this state
33 whose insurer has entered into a contract with an organization for managed
34 care must choose his treating physician or chiropractor pursuant to the
35 terms of that contract. If the employee, after choosing his treating physician
36 or chiropractor, moves to a county which is not served by the organization
37 for managed care, and the insurer determines that it is impractical for the
38 employee to continue treatment with the physician or chiropractor, the
39 employee must choose a treating physician or chiropractor who has agreed
40 to the terms of that contract unless the insurer authorizes the employee to
41 choose another physician or chiropractor.

1 4. Except when emergency medical care is required and except as
2 otherwise provided in NRS 616C.055, the insurer is not responsible for any
3 charges for medical treatment or other accident benefits furnished or
4 ordered by any physician, chiropractor or other person selected by the
5 employee in disregard of the provisions of this section or for any
6 compensation for any aggravation of the employee's injury attributable to
7 improper treatments by such physician, chiropractor or other person.

8 5. The administrator may order necessary changes in a panel of
9 physicians and chiropractors and shall suspend or remove any physician or
10 chiropractor from a panel for good cause shown.

11 6. An injured employee may receive treatment by more than one
12 physician or chiropractor if the insurer provides written authorization for
13 such treatment.

14 **Sec. 32.** NRS 616C.095 is hereby amended to read as follows:

15 616C.095 The physician or chiropractor shall inform the injured
16 employee of his rights under chapters 616A to 616D, inclusive, **or chapter**
17 **617** of NRS and lend all necessary assistance in making application for
18 compensation and such proof of other matters as required by the rules of
19 the division, without charge to the employee.

20 **Sec. 33.** NRS 616C.120 is hereby amended to read as follows:

21 616C.120 ~~[No]~~ **Any** provision of this chapter or chapter 616A, 616B ,
22 ~~for~~ 616D **or 617** of NRS ~~[shall]~~ **must not** prevent an employee from
23 providing for treatment for his injuries or disease through prayer or other
24 spiritual means in accordance with the tenets and practices of a recognized
25 church, which treatment is recognized in this state in lieu of medical
26 treatment.

27 **Sec. 34.** NRS 616C.205 is hereby amended to read as follows:

28 616C.205 Except as otherwise provided in this section and NRS
29 31A.150 and 31A.330, compensation payable under chapters 616A to
30 616D, inclusive, **or chapter 617** of NRS, whether determined or due, or
31 not, is not, before the issuance and delivery of the check, assignable, is
32 exempt from attachment, garnishment and execution, and does not pass to
33 any other person by operation of law. In the case of the death of an injured
34 employee covered by chapters 616A to 616D, inclusive, **or chapter 617** of
35 NRS from causes independent from the injury for which compensation is
36 payable, any compensation due the employee which was awarded or
37 accrued but for which a check was not issued or delivered at the date of
38 death of the employee is payable to his dependents as defined in NRS
39 616C.505.

40 **Sec. 35.** NRS 616C.210 is hereby amended to read as follows:

41 616C.210 1. The insurer shall notify a dependent of a deceased employee who
42 is residing outside of the United States by certified mail at
43 his last known address if compensation is due the decedent or beneficiary

1 pursuant to chapters 616A to 616D, inclusive, **or chapter 617** of NRS. The
2 dependent may request that payment be made directly to him within 90
3 calendar days after the notice was mailed. The insurer shall pay
4 compensation which is due a beneficiary directly to the beneficiary if the
5 beneficiary requests payment within 90 calendar days after the notice was
6 mailed.

7 2. If the insurer does not receive a request that payment be made
8 directly to a beneficiary within 90 days after the notice required by
9 subsection 1 is mailed, payments to the consul general, vice consul general,
10 consul or vice consul of the nation of which any dependent of a deceased
11 employee is a resident or subject, or a representative of such consul
12 general, vice consul general, consul or vice consul, of any compensation
13 due under chapters 616A to 616D, inclusive, **or chapter 617** of NRS to any
14 dependent residing outside of the United States, any power of attorney to
15 receive or receipt for the same to the contrary notwithstanding, are as full a
16 discharge of the benefits or compensation payable under those chapters as
17 if payments were made directly to the beneficiary.

18 **Sec. 36.** NRS 616C.215 is hereby amended to read as follows:

19 616C.215 1. If an injured employee or, in the event of his death, his
20 dependents, bring an action in tort against his employer to recover payment
21 for an injury which is compensable under chapters 616A to 616D,
22 inclusive, or chapter 617 of NRS and, notwithstanding the provisions of
23 NRS 616A.020, receive payment from the employer for that injury:

24 (a) The amount of compensation the injured employee or his dependents
25 are entitled to receive pursuant to the provisions of chapters 616A to 616D,
26 inclusive, **or chapter 617** of NRS, including any future compensation, must
27 be reduced by the amount paid by the employer.

28 (b) The insurer, or in the case of claims involving the uninsured
29 employer's claim fund or a subsequent injury fund the administrator, has a
30 lien upon the total amount paid by the employer if the injured employee or
31 his dependents receive compensation pursuant to the provisions of chapters
32 616A to 616D, inclusive, **or chapter 617** of NRS.

33 This subsection is applicable whether the money paid to the employee or
34 his dependents by the employer is classified as a gift, a settlement or
35 otherwise. The provisions of this subsection do not grant to an injured
36 employee any right of action in tort to recover damages from his employer
37 for his injury.

38 2. When an employee receives an injury for which compensation is
39 payable pursuant to the provisions of chapters 616A to 616D, inclusive, **or**
40 **chapter 617** of NRS and which was caused under circumstances creating a legal
41 liability in some person, other than the employer or a person in the
42 same employ, to pay damages in respect thereof:

1 (a) The injured employee, or in case of death his dependents, may take
2 proceedings against that person to recover damages, but the amount of the
3 compensation the injured employee or his dependents are entitled to
4 receive pursuant to the provisions of chapters 616A to 616D, inclusive, **or**
5 **chapter 617** of NRS, including any future compensation, must be reduced
6 by the amount of the damages recovered, notwithstanding any act or
7 omission of the employer or a person in the same employ which was a
8 direct or proximate cause of the employee's injury.

9 (b) If the injured employee, or in case of death his dependents, receive
10 compensation pursuant to the provisions of chapters 616A to 616D,
11 inclusive, **or chapter 617** of NRS, the insurer, or in case of claims
12 involving the uninsured employers' claim fund or a subsequent injury fund
13 the administrator, has a right of action against the person so liable to pay
14 damages and is subrogated to the rights of the injured employee or of his
15 dependents to recover therefor.

16 3. When an injured employee incurs an injury for which compensation
17 is payable pursuant to the provisions of chapters 616A to 616D, inclusive,
18 **or chapter 617** of NRS and which was caused under circumstances
19 entitling him, or in the case of death his dependents, to receive proceeds
20 under his employer's policy of uninsured or underinsured vehicle coverage:

21 (a) The injured employee, or in the case of death his dependents, may
22 take proceedings to recover those proceeds, but the amount of
23 compensation the injured employee or his dependents are entitled to
24 receive pursuant to the provisions of chapters 616A to 616D, inclusive, **or**
25 **chapter 617** of NRS, including any future compensation, must be reduced
26 by the amount of proceeds received.

27 (b) If an injured employee, or in the case of death his dependents,
28 receive compensation pursuant to the provisions of chapters 616A to 616D,
29 inclusive, **or chapter 617** of NRS, the insurer, or in the case of claims
30 involving the uninsured employers' claim fund or a subsequent injury fund
31 the administrator, is subrogated to the rights of the injured employee or his
32 dependents to recover proceeds under the employer's policy of uninsured
33 or underinsured vehicle coverage. The insurer and the administrator are not
34 subrogated to the rights of an injured employee or his dependents under a
35 policy of uninsured or underinsured vehicle coverage purchased by the
36 employee.

37 4. In any action or proceedings taken by the insurer or the
38 administrator pursuant to this section, evidence of the amount of
39 compensation, accident benefits and other expenditures which the insurer, the
40 uninsured employers' claim fund or a subsequent injury fund have paid
41 or become obligated to pay by reason of the injury or death of the employee

1 is admissible. If in such action or proceedings the insurer or the
2 administrator recovers more than those amounts, the excess must be paid to
3 the injured employee or his dependents.

4 5. In any case where the insurer or the administrator is subrogated to
5 the rights of the injured employee or of his dependents as provided in
6 subsection 2 or 3, the insurer or the administrator has a lien upon the total
7 proceeds of any recovery from some person other than the employer,
8 whether the proceeds of such recovery are by way of judgment, settlement
9 or otherwise. The injured employee, or in the case of his death his
10 dependents, are not entitled to double recovery for the same injury,
11 notwithstanding any act or omission of the employer or a person in the
12 same employ which was a direct or proximate cause of the employee's
13 injury.

14 6. The lien provided for under subsection 1 or 5 includes the total
15 compensation expenditure incurred by the insurer, the uninsured
16 employers' claim fund or a subsequent injury fund for the injured employee
17 and his dependents.

18 7. An injured employee, or in the case of death his dependents, shall
19 notify the insurer, or in the case of claims involving the uninsured
20 employers' claim fund or a subsequent injury fund the administrator, in
21 writing before initiating a proceeding or action pursuant to this section.

22 8. Within 15 days after the date of recovery by way of actual receipt of
23 the proceeds of the judgment, settlement or otherwise:

24 (a) The injured employee or his dependents, or the attorney or
25 representative of the injured employee or his dependents; and

26 (b) The third-party insurer,
27 shall notify the insurer, or in the case of claims involving the uninsured
28 employers' claim fund or a subsequent injury fund the administrator, of the
29 recovery and pay to the insurer or the administrator, respectively, the
30 amount due under this section together with an itemized statement showing
31 the distribution of the total recovery. The attorney or representative of the
32 injured employee or his dependents and the third-party insurer are jointly
33 and severally liable for any amount to which an insurer is entitled pursuant
34 to this section if the attorney, representative or third-party insurer has
35 knowledge of the lien provided for in this section.

36 9. An insurer shall not sell its lien to a third-party insurer unless the
37 injured employee or his dependents, or the attorney or representative of the
38 injured employee or his dependents, refuses to provide to the insurer
39 information concerning the action against the third party.

1 10. In any trial of an action by the injured employee, or in the case of
2 his death by his dependents, against a person other than the employer or a
3 person in the same employ, the jury must receive proof of the amount of all
4 payments made or to be made by the insurer or the administrator. The court
5 shall instruct the jury substantially as follows:

6
7 Payment of workmen’s compensation benefits by the insurer, or in
8 the case of claims involving the uninsured employers’ claim fund or a
9 subsequent injury fund the administrator, is based upon the fact that a
10 compensable industrial accident occurred, and does not depend upon
11 blame or fault. If the plaintiff does not obtain a judgment in his favor
12 in this case, he is not required to repay his employer, the insurer or the
13 administrator any amount paid to him or paid on his behalf by his
14 employer, the insurer or the administrator.

15 If you decide that the plaintiff is entitled to judgment against the
16 defendant, you shall find his damages in accordance with the court’s
17 instructions on damages and return your verdict in the plaintiff’s favor
18 in the amount so found without deducting the amount of any
19 compensation benefits paid to or for the plaintiff. The law provides a
20 means by which any compensation benefits will be repaid from your
21 award.

22
23 11. ~~For the purposes of calculating~~ **To calculate** an employer’s
24 premium, the employer’s account with the system must be credited with an
25 amount equal to that recovered by the system from a third party pursuant to
26 this section, less the system’s share of the expenses of litigation incurred in
27 obtaining the recovery, except that the total credit must not exceed the
28 amount of compensation actually paid or reserved by the system on the
29 injured employee’s claim.

30 12. As used in this section, “third-party insurer” means an insurer that
31 issued to a third party who is liable for damages pursuant to subsection 2, a
32 policy of liability insurance the proceeds of which are recoverable pursuant
33 to this section. The term includes an insurer that issued to an employer a
34 policy of uninsured or underinsured vehicle coverage.

35 **Sec. 37.** NRS 616C.230 is hereby amended to read as follows:

36 616C.230 1. Compensation is not payable pursuant to the provisions
37 of chapters 616A to 616D, inclusive, **or chapter 617** of NRS for an injury:

38 (a) Caused by the employee’s willful intention to injure himself.

39 (b) Caused by the employee’s willful intention to injure another.

40 (c) Proximately caused by the employee’s intoxication. If the employee was
41 intoxicated at the time of his injury, intoxication must be presumed to
42 be a proximate cause unless rebutted by evidence to the contrary.

1 (d) Proximately caused by the employee's use of a controlled substance.
2 If the employee had any amount of a controlled substance in his system at
3 the time of his injury for which the employee did not have a current and
4 lawful prescription issued in his name, the controlled substance must be
5 presumed to be a proximate cause unless rebutted by evidence to the
6 contrary.

7 2. For the purposes of paragraphs (c) and (d) of subsection 1:

8 (a) The affidavit or declaration of an expert or other person described in
9 NRS 50.315 is admissible to prove the existence of any alcohol or the
10 existence, quantity or identity of a controlled substance in an employee's
11 system. If the affidavit or declaration is to be so used, it must be submitted
12 in the manner prescribed in NRS 616C.355.

13 (b) When an examination requested or ordered includes testing for the
14 use of alcohol or a controlled substance:

15 (1) If the laboratory that conducts the testing is located in a county
16 whose population is 100,000 or more and the testing is of urine, the
17 laboratory must be certified for forensic testing of urine for drugs by the
18 College of American Pathologists or a successor organization or by the
19 federal Department of Health and Human Services; and

20 (2) Any such testing of breath for alcohol must be performed pursuant
21 to the regulations of the federal Department of Transportation.

22 3. No compensation is payable for the death, disability or treatment of
23 an employee if his death is caused by, or insofar as his disability is
24 aggravated, caused or continued by, an unreasonable refusal or neglect to
25 submit to or to follow any competent and reasonable surgical treatment or
26 medical aid.

27 4. If any employee persists in an unsanitary or injurious practice that
28 imperils or retards his recovery, or refuses to submit to such medical or
29 surgical treatment as is necessary to promote his recovery, his
30 compensation may be reduced or suspended.

31 5. An injured employee's compensation, other than accident benefits,
32 must be suspended if:

33 (a) A physician or chiropractor determines that the employee is unable
34 to undergo treatment, testing or examination for the industrial injury solely
35 because of a condition or injury that did not arise out of and in the course
36 of his employment; and

37 (b) It is within the ability of the employee to correct the nonindustrial
38 condition or injury.

39 The compensation must be suspended until the injured employee is able to
40 resume treatment, testing or examination for the industrial injury. The
41 insurer may elect to pay for the treatment of the nonindustrial condition or
42 injury.

1 **Sec. 38.** NRS 616C.280 is hereby amended to read as follows:

2 616C.280 The administrator may withdraw his approval of an
3 employer's providing accident benefits for his employees and require the
4 employer to pay the premium collected pursuant to NRS 616C.255 if the
5 employer intentionally:

6 1. Determines incorrectly that a claimed injury did not arise out of and
7 in the course of the employee's employment;

8 2. Fails to advise an injured employee of his rights under chapters
9 616A to 616D, inclusive, **or chapter 617** of NRS;

10 3. Impedes the determination of disability or benefits by delaying a
11 needed change of an injured employee's physician or chiropractor;

12 4. Causes an injured employee to file a legal action to recover any
13 compensation or other medical benefits due him from the employer;

14 5. Violates any of his or the division's regulations regarding the
15 provision of accident benefits by employers; or

16 6. Discriminates against an employee who claims benefits under
17 chapters 616A to 616D, inclusive, **or chapter 617** of NRS.

18 **Sec. 39.** NRS 616C.325 is hereby amended to read as follows:

19 616C.325 1. It is unlawful for any person to represent an employee
20 before a hearings officer, or in any negotiations, settlements, hearings or
21 other meetings with an insurer concerning the employee's claim or possible
22 claim, unless he is:

23 (a) Employed full time by the employee's labor organization;

24 (b) Admitted to practice law in this state;

25 (c) Employed full time by and under the supervision of an attorney
26 admitted to practice law in this state; or

27 (d) Appearing without compensation on behalf of the employee.

28 It is unlawful for any person who is not admitted to practice law in this state
29 to represent the employee before an appeals officer.

30 2. It is unlawful for any person to represent an employer at hearings of
31 contested cases unless that person is:

32 (a) Employed full time by the employer or a trade association to which
33 the employer belongs that is not formed solely ~~for the purpose of~~
34 ~~providing~~ **to provide** representation at hearings of contested cases;

35 (b) An employer's representative licensed pursuant to subsection 3 who
36 is not licensed as a third-party administrator;

37 (c) Admitted to practice law in this state; or

38 (d) A licensed third-party administrator.

39 3. The director of the department of administration shall adopt
40 regulations which include the:

41 (a) Requirements for licensure of employers' representatives, including:

42 (1) The registration of each representative; and

1 (2) The filing of a copy of each written agreement for the
2 compensation of a representative;

3 (b) Procedure for such licensure; and

4 (c) Causes for revocation of such a license, including any applicable
5 action listed in NRS 616D.120 or a violation of this section.

6 4. Any person who is employed by or contracts with an employer to
7 represent the employer at hearings regarding contested claims is an agent of
8 the employer. If the employer's representative violates any provision of this
9 chapter or chapter 616A, 616B, ~~for~~ 616D **or 617** of NRS, the employer is
10 liable for any penalty assessed because of that violation.

11 5. An employer shall not make the compensation of any person
12 representing him contingent in any manner upon the outcome of any
13 contested claim.

14 6. The director of the department of administration shall collect in
15 advance and deposit with the state treasurer for credit to the state general
16 fund the following fees for licensure as an employer's representative:

17 (a) Application and license\$78

18 (b) Triennial renewal of each license78

19 **Sec. 40.** NRS 616C.350 is hereby amended to read as follows:

20 616C.350 1. Any physician or chiropractor who attends an employee
21 within the provisions of chapters 616A to 616D, inclusive, or chapter 617
22 of NRS in a professional capacity, may be required to testify before an
23 appeals officer. A physician or chiropractor who testifies is entitled to
24 receive the same fees as witnesses in civil cases and, if the appeals officer
25 so orders at his own discretion, a fee equal to that authorized for a
26 consultation by the appropriate schedule of fees for physicians or
27 chiropractors. These fees must be paid by the insurer.

28 2. Information gained by the attending physician or chiropractor while
29 in attendance on the injured employee is not a privileged communication if:

30 (a) Required by an appeals officer for a proper understanding of the case
31 and a determination of the rights involved; or

32 (b) The information is related to any fraud that has been or is alleged to
33 have been committed in violation of the provisions of this chapter or
34 chapter 616A, 616B, ~~for~~ 616D **or 617** of NRS.

35 **Sec. 41.** NRS 616D.050 is hereby amended to read as follows:

36 616D.050 1. Appeals officers, the administrator, the manager and the
37 manager's designee, in conducting hearings or other proceedings pursuant
38 to the provisions of chapters 616A to 616D, inclusive, **or chapter 617** of
39 NRS or regulations adopted pursuant to those chapters may:

40 (a) Issue subpoenas requiring the attendance of any witness or the
41 production of books, accounts, papers, records and documents.

42 (b) Administer oaths.

43 (c) Certify to official acts.

- 1 (d) Call and examine under oath any witness or party to a claim.
- 2 (e) Maintain order.
- 3 (f) Rule upon all questions arising during the course of a hearing or
- 4 proceeding.
- 5 (g) Permit discovery by deposition or interrogatories.
- 6 (h) Initiate and hold conferences for the settlement or simplification of
- 7 issues.
- 8 (i) Dispose of procedural requests or similar matters.
- 9 (j) Generally regulate and guide the course of a pending hearing or
- 10 proceeding.
- 11 2. Hearing officers, in conducting hearings or other proceedings
- 12 pursuant to the provisions of chapters 616A to 616D, inclusive, **or chapter**
- 13 **617** of NRS or regulations adopted pursuant to those chapters, may:
- 14 (a) Issue subpoenas requiring the attendance of any witness or the
- 15 production of books, accounts, papers, records and documents that are
- 16 relevant to the dispute for which the hearing or other proceeding is being
- 17 held.
- 18 (b) Maintain order.
- 19 (c) Permit discovery by deposition or interrogatories.
- 20 (d) Initiate and hold conferences for the settlement or simplification of
- 21 issues.
- 22 (e) Dispose of procedural requests or similar matters.
- 23 (f) Generally regulate and guide the course of a pending hearing or
- 24 proceeding.
- 25 **Sec. 42.** NRS 616D.065 is hereby amended to read as follows:
- 26 616D.065 1. An appeals officer, in conducting hearings or other
- 27 proceedings pursuant to the provisions of chapters 616A to 616D,
- 28 inclusive, **or chapter 617** of NRS or regulations adopted pursuant to those
- 29 chapters, may order the attorney or representative of a party to pay any
- 30 costs that are incurred by the hearings division of the department of
- 31 administration for a court reporter or an interpreter.
- 32 2. Before ordering the payment of such costs, the appeals officer must
- 33 find that the costs were incurred because the attorney or representative of a
- 34 party caused a continuance or delay in a scheduled hearing by his failure,
- 35 without good cause, to comply with an order of the appeals officer or a
- 36 regulation adopted pursuant to chapters 616A to 616D, inclusive, **or**
- 37 **chapter 617** of NRS.
- 38 **Sec. 43.** NRS 616D.080 is hereby amended to read as follows:
- 39 616D.080 1. Each officer who serves a subpoena is entitled to
- 40 receive the same fees as a sheriff.
- 41 2. Each witness who appears, in obedience to a subpoena which has been issued
- 42 pursuant to this chapter or chapter 616A, 616B, ~~for~~ 616C **or**
- 43 **617** of NRS, before an appeals officer, a hearing officer, the administrator,

1 the manager or the manager's designee, is entitled to receive for his
2 attendance the fees and mileage provided for witnesses in civil cases in
3 courts of record.

4 3. The appeals officer, hearing officer, administrator, manager or
5 manager's designee shall:

6 (a) Authorize payment from his administrative budget of the fees and
7 mileage due to such a witness; or

8 (b) Impose those costs upon the party at whose instance the witness was
9 subpoenaed or, for good cause shown, upon any other party.

10 **Sec. 44.** NRS 616D.110 is hereby amended to read as follows:

11 616D.110 1. In addition to any other remedy provided for by law, if
12 any employer within the provisions of NRS 616B.633 fails to provide and
13 secure compensation, or fails to maintain such compensation, under the
14 terms of chapters 616A to 616D, inclusive, **or chapter 617** of NRS, the
15 administrator may, in order to protect the employees of the employer from
16 the effect of not having industrial insurance coverage and upon compliance
17 with the requirements of subsection 2, order the immediate cessation of all
18 business operations at the place of employment or jobsite until such time as
19 the employer performs all acts and duties enjoined upon him by chapters
20 616A to 616D, inclusive, **or chapter 617** of NRS as determined necessary
21 by the administrator in order to provide, secure and maintain compensation
22 under those chapters.

23 2. The order must:

24 (a) Include a reference to the particular sections of the statutes or
25 regulations alleged to have been violated, and a short, plain statement of the
26 facts alleged to constitute the violation.

27 (b) Provide an opportunity for hearing to the employer on a date fixed in
28 the order which must not be less than 5 nor more than 15 days after the date
29 of the order, unless upon demand of the employer the date is advanced to
30 the next business day after the demand is made to the administrator.

31 An order for summary suspension issued pursuant to this subsection must
32 be endorsed with the date and hour of issuance and entered of record in the
33 office of the administrator.

34 3. Immediately upon receiving an order to cease business operations
35 under subsection 1, an employer shall order all employees or other persons
36 to leave the place of employment or jobsite and shall cease all business
37 operations thereat.

38 4. Upon request by the administrator, any law enforcement agency in
39 this state shall render any assistance necessary to carry out the requirement
40 of subsection 3, including but not limited to preventing any employee or
41 other person from remaining at the place of employment or jobsite.

1 **Sec. 45.** 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, **or chapter 617** of NRS or that the employer has provided and
6 secured that compensation but has failed to maintain it, he shall make a
7 determination thereon and may charge the employer an amount equal to the
8 sum of:

9 (a) The premiums that would otherwise have been owed to the system
10 pursuant to the terms of chapters 616A to 616D, inclusive, **or chapter 617**
11 of NRS for the period that the employer was doing business in this state
12 without providing, securing or maintaining that compensation, but not to
13 exceed 6 years;

14 (b) The actual costs incurred by the system in reinstating the policy, but
15 not to exceed 10 percent of the premiums owed by the employer; and

16 (c) Interest at a rate determined pursuant to NRS 17.130 computed from
17 the time that the premiums should have been paid.

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

22 3. Any employer within the provisions of NRS 616B.633 who fails to
23 provide, secure or maintain compensation as required by the terms of
24 chapters 616A to 616D, inclusive, **or chapter 617** of NRS, is:

25 (a) For the first offense, guilty of a misdemeanor.

26 (b) For a second or subsequent offense committed within 7 years after
27 the previous offense, guilty of a category C felony and shall be punished as
28 provided in NRS 193.130.

29 Any criminal penalty imposed must be in addition to the amount charged
30 pursuant to subsection 1.

31 **Sec. 46.** NRS 616D.240 is hereby amended to read as follows:

32 616D.240 1. Any employer who makes any charge against any
33 employee or who deducts from the wages of any employee any sum of
34 money to meet the costs, in whole or in part, of the liability incurred by the
35 employer by reason of his acceptance or rejection of chapters 616A to
36 616D, inclusive, **or chapter 617** of NRS is guilty of a gross misdemeanor.

37 2. An employer who is required to provide compensation pursuant to
38 the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS
39 and who requires an employee to provide or secure such compensation on
40 his own behalf is guilty of a gross misdemeanor.

3. Any employer violating any provision of this section must be prosecuted by the attorney general upon complaint of any employee who, as determined by the attorney general, submits proper evidence of a violation.

Sec. 47. NRS 616D.300 is hereby amended to read as follows:

616D.300 Unless a different penalty is provided pursuant to NRS 616D.370 to 616D.410, inclusive, a person who knowingly makes a false statement or representation, including, but not limited to, a false statement or representation relating to his identity or the identity of another person, or who knowingly conceals a material fact to obtain or attempt to obtain any benefit, including a controlled substance, or payment under the provisions of this chapter or chapter 616A, 616B, ~~616C~~ **or 617** of NRS, either for himself or for any other person, shall be punished as follows:

1. If the amount of the benefit or payment obtained or attempted to be obtained was less than \$250, for a misdemeanor.

2. If the amount of the benefit or payment obtained or attempted to be obtained was \$250 or more, for a category D felony as provided in NRS 193.130.

In addition to any other penalty, the court shall order the person to pay restitution.

Sec. 48. NRS 616D.310 is hereby amended to read as follows:

616D.310 A person who knowingly makes a false statement or representation concerning the employment of a person who is receiving benefits pursuant to chapters 616A to 616D, inclusive, **or chapter 617** of NRS is guilty of a category D felony and shall be punished as provided in NRS 193.130.

Sec. 49. NRS 616D.320 is hereby amended to read as follows:

616D.320 1. An employer shall not knowingly offer employment or continue to employ a person who is receiving payments for a temporary total disability in violation of the provisions of chapters 616A to 616D, inclusive, **or chapter 617** of NRS or NRS 281.390.

2. An employer who is convicted of violating the provisions of subsection 1 is guilty of a gross misdemeanor.

Sec. 50. NRS 616D.550 is hereby amended to read as follows:

616D.550 1. An insurer, organization for managed care, health care provider, employer, third-party administrator or public officer who believes, or has reason to believe, that:

(a) A fraudulent claim for benefits under a policy of insurance has been made, or is about to be made;

(b) An employer within the provisions of NRS 616B.633 has:

(1) Knowingly made a false statement or representation concerning the amount of payroll upon which a premium is based; or

1 (2) Failed to provide and secure compensation under the terms of
2 chapters 616A to 616D, inclusive, **or chapter 617** of NRS or has failed to
3 maintain that compensation;

4 (c) A provider of health care has submitted an invoice for payment for
5 accident benefits that contains information which the provider knows is
6 false; or

7 (d) A person has committed any other fraudulent practice under this
8 chapter or chapter 616A, 616B, 616C or 617 of NRS,
9 shall report that belief to the fraud control unit for industrial insurance
10 established pursuant to NRS 228.420.

11 2. The fraud control unit for industrial insurance established pursuant
12 to NRS 228.420 may require a person who submits a report pursuant to
13 subsection 1 to submit that report on a form prescribed by the unit.

14 **Sec. 51.** NRS 108.590 is hereby amended to read as follows:

15 108.590 1. Whenever any person receives hospitalization on account
16 of any injury, and he, or his personal representative after his death, claims
17 damages from the person responsible for causing the injury, the hospital
18 has a lien upon any sum awarded the injured person or his personal
19 representative by judgment or obtained by a settlement or compromise to
20 the extent of the amount due the hospital for the reasonable value of the
21 hospitalization rendered before the date of judgment, settlement or
22 compromise.

23 2. The lien provided by this section is:

24 (a) Not valid against anyone coming under the provisions of chapters
25 616A to 616D, inclusive, **or chapter 617** of NRS.

26 (b) In addition to the lien provided by NRS 108.662.

27 **Sec. 52.** NRS 239A.070 is hereby amended to read as follows:

28 239A.070 This chapter does not apply to any subpoena issued pursuant
29 to Title 14 or chapters 616A to 616D, inclusive, **and chapter 617** of NRS
30 or prohibit:

31 1. Dissemination of any financial information which is not identified
32 with or identifiable as being derived from the financial records of a
33 particular customer.

34 2. The attorney general, district attorney, department of taxation,
35 public administrator, sheriff or a police department from requesting of a
36 financial institution, and the institution from responding to the request, as to
37 whether a person has an account or accounts with that financial institution
38 and, if so, any identifying numbers of the account or accounts.

39 3. A financial institution, in its discretion, from initiating contact with
40 and thereafter communicating with and disclosing the financial records of a
41 customer to appropriate governmental agencies concerning a suspected
42 violation of any law.

1 4. Disclosure of the financial records of a customer incidental to a
2 transaction in the normal course of business of the financial institution if
3 the director, officer, employee or agent of the financial institution who
4 makes or authorizes the disclosure has no reasonable cause to believe that
5 such records will be used by a governmental agency in connection with an
6 investigation of the customer.

7 5. A financial institution from notifying a customer of the receipt of a
8 subpoena or a search warrant to obtain his financial records, except when
9 ordered by a court to withhold such notification.

10 6. The examination by or disclosure to any governmental regulatory
11 agency of financial records which relate solely to the exercise of its
12 regulatory function if the agency is specifically authorized by law to
13 examine, audit or require reports of financial records of financial
14 institutions.

15 7. The disclosure to any governmental agency of any financial
16 information or records whose disclosure to that particular agency is
17 required by the tax laws of this state.

18 8. The disclosure of any information pursuant to NRS 425.393,
19 425.400 or 425.460.

20 9. A governmental agency from obtaining a credit report or consumer
21 credit report from anyone other than a financial institution.

22 **Sec. 53.** NRS 244.33505 is hereby amended to read as follows:

23 244.33505 1. In a county in which a license to engage in a business is
24 required, the board of county commissioners shall not issue such a license
25 unless the applicant for the license signs an affidavit affirming that the
26 business:

27 (a) Has received coverage by the state industrial insurance system or a
28 private carrier as required pursuant to chapters 616A to 616D, inclusive,
29 **and chapter 617** of NRS;

30 (b) Maintains a valid certificate of self-insurance pursuant to chapters
31 616A to 616D, inclusive, of NRS;

32 (c) Is a member of an association of self-insured public or private
33 employers; or

34 (d) Is not subject to the provisions of chapters 616A to 616D, inclusive,
35 **or chapter 617** of NRS.

36 2. In a county in which such a license is not required, the board of
37 county commissioners shall require a business, when applying for a post
38 office box, to submit to the board the affidavit required by subsection 1.

39 3. Each board of county commissioners shall submit to the
40 administrator of the division of industrial relations of the department of business and
41 industry monthly a list of the names of those businesses which
42 have submitted an affidavit required by subsections 1 and 2.

1 4. Upon receiving an affidavit required by this section, a board of
2 county commissioners shall provide the owner of the business with a
3 document setting forth the rights and responsibilities of employers and
4 employees to promote safety in the workplace, in accordance with
5 regulations adopted by the division of industrial relations of the department
6 of business and industry pursuant to NRS 618.376.

7 **Sec. 54.** NRS 245.211 is hereby amended to read as follows:

8 245.211 1. The board of county commissioners of any county may
9 establish, by contract or otherwise, and administer a disability pension plan
10 or disability insurance program for the benefit of the county sheriff, any
11 sheriff's deputy or fireman who is disabled, to any degree, by an injury
12 arising out of and in the course of his employment.

13 2. The board of county commissioners may adopt ordinances, rules,
14 regulations, policies and procedures necessary to establish and administer
15 the plan or program specified in subsection 1.

16 3. If a county elects to consider implementation of a plan or program
17 specified in subsection 1, or to change the benefits provided by an existing
18 plan or program, the persons affected by the proposed plan or program, or
19 proposed change, may negotiate with the county concerning the nature and
20 extent of such plan, program or change. Chapter 288 of NRS ~~{shall apply}~~
21 **applies** to negotiations for this purpose.

22 4. The plan or program authorized by this section ~~{shall}~~ **must** be
23 supplemental or in addition to and not in conflict with the coverage,
24 compensation, benefits or procedure established by or adopted pursuant to
25 chapters 616A to 616D, inclusive, **or chapter 617** of NRS.

26 5. The benefits provided for in this section are supplemental to other
27 benefits an employee is entitled to receive on account of the same
28 disability. In no event shall the benefits provided for in this section, when
29 added to benefits provided for or purchased by the expenditure of public
30 ~~{moneys,}~~ **money**, exceed the maximum amount of benefits an employee is
31 entitled to receive if he has been a member of the department or agency for
32 10 years or more.

33 **Sec. 55.** NRS 268.0955 is hereby amended to read as follows:

34 268.0955 1. In an incorporated city in which a license to engage in a
35 business is required, the city council or other governing body of the city
36 shall not issue such a license unless the applicant for the license signs an
37 affidavit affirming that the business:

38 (a) Has received coverage by the state industrial insurance system or a
39 private carrier as required pursuant to chapters 616A to 616D, inclusive,
40 **and chapter 617** of NRS;

41 (b) Maintains a valid certificate of self-insurance pursuant to chapters
42 616A to 616D, inclusive, of NRS;

1 (c) Is a member of an association of self-insured public or private
2 employers; or

3 (d) Is not subject to the provisions of chapters 616A to 616D, inclusive,
4 **or chapter 617** of NRS.

5 2. In an incorporated city in which such a license is not required, the
6 city council or other governing body of the city shall require a business,
7 when applying for a post office box, to submit to the governing body the
8 affidavit required by subsection 1.

9 3. Each city council or other governing body of an incorporated city
10 shall submit to the administrator of the division of industrial relations of the
11 department of business and industry monthly a list of the names of those
12 businesses which have submitted an affidavit required by subsections 1 and
13 2.

14 4. Upon receiving an affidavit required by this section, the city council
15 or other governing body of an incorporated city shall provide the applicant
16 with a document setting forth the rights and responsibilities of employers
17 and employees to promote safety in the workplace ~~and~~ in accordance with
18 regulations adopted by the division of industrial relations of the department
19 of business and industry pursuant to NRS 618.376.

20 **Sec. 56.** NRS 268.406 is hereby amended to read as follows:

21 268.406 1. The governing board of any incorporated city may
22 establish, by contract or otherwise, and administer a disability pension plan
23 or disability insurance program for the benefit of any city police officer or
24 fireman who is disabled, to any degree, by an injury arising out of and in
25 the course of his employment.

26 2. The governing board may adopt ordinances, rules, regulations,
27 policies and procedures necessary to establish and administer the plan or
28 program specified in subsection 1.

29 3. If an incorporated city elects to consider implementation of a plan or
30 program specified in subsection 1 ~~and~~ or to change the benefits provided by
31 an existing plan or program, the persons affected by the proposed plan or
32 program, or proposed change, may negotiate with the city concerning the
33 nature and extent of such plan, program or change. Chapter 288 of NRS
34 ~~shall apply~~ **applies** to negotiations for this purpose.

35 4. The plan or program authorized by this section ~~shall~~ **must** be
36 supplemental or in addition to and not in conflict with the coverage,
37 compensation, benefits or procedure established by or adopted pursuant to
38 chapters 616A to 616D, inclusive, **or chapter 617** of NRS.

39 5. The benefits provided for in this section are supplemental to other benefits an
40 employee is entitled to receive on account of the same
41 disability. In no event shall the benefits provided for in this section, when

1 added to benefits provided for or purchased by the expenditure of public
2 ~~monies,~~ **money**, exceed the maximum amount of benefits an employee is
3 entitled to receive if he has been a member of the department or agency for
4 10 years or more.

5 **Sec. 57.** NRS 280.305 is hereby amended to read as follows:

6 280.305 1. The committee may establish, by contract or otherwise,
7 and administer a disability pension plan or disability insurance program for
8 the benefit of any police officer of the department who is disabled, to any
9 degree, by an injury arising out of and in the course of his employment. The
10 cost of the plan or program may be charged, in whole or in part, against the
11 annual operating budget for the department.

12 2. The committee may adopt rules, policies and procedures necessary
13 to establish and administer the plan or program specified in subsection 1.

14 3. If the committee elects to consider implementation of a plan or
15 program specified in subsection 1 ~~or~~ to change the benefits provided by
16 an existing plan or program, the persons affected by the proposed plan or
17 program, or proposed change, may negotiate with:

18 (a) The committee or two or more persons designated by it; and

19 (b) The sheriff or a person designated by him,

20 concerning the nature and extent of the plan, program or change. Chapter
21 288 of NRS applies to negotiations for this purpose.

22 4. The plan or program authorized by this section must be
23 supplemental or in addition to and not in conflict with the coverage,
24 compensation, benefits or procedure established by or adopted pursuant to
25 chapters 616A to 616D, inclusive, **or chapter 617** of NRS.

26 5. The benefits provided for in this section are supplemental to other
27 benefits an employee is entitled to receive on account of the same
28 disability. In no event may the benefits provided for in this section, when
29 added to benefits provided for or purchased by the expenditure of public
30 money, exceed the maximum amount of benefits an employee is entitled to
31 receive if he has been a member of the department or agency for 10 years
32 or more.

33 **Sec. 58.** NRS 333.020 is hereby amended to read as follows:

34 333.020 As used in this chapter, unless the context otherwise requires:

35 1. "Chief" means the chief of the purchasing division.

36 2. "Director" means the director of the department of administration.

37 3. "Proprietary information" means:

38 (a) Any trade secret or confidential business information that is
39 contained in a bid submitted on a particular contract; or

40 (b) Any other trade secret or confidential business information
41 submitted by a bidder and designated as proprietary by the chief.

42 As used in this subsection, "confidential business information" means any
43 information relating to the amount or source of any income, profits, losses

1 or expenditures of a person, including data relating to cost or price
2 submitted in support of a bid or proposal. The term does not include the
3 amount of a bid or proposal.

4 4. “Purchasing division” means the purchasing division of the
5 department of administration.

6 5. “Purchasing officer” means a person who is authorized by the chief
7 or a using agency to participate in:

8 (a) The evaluation of bids or proposals for a contract;

9 (b) Any negotiations concerning a contract; or

10 (c) The development, review or approval of a contract.

11 6. “Request for a proposal” means a statement which sets forth the
12 requirements and specifications of a contract to be awarded by competitive
13 selection.

14 7. “Trade secret” has the meaning ascribed to it in NRS 600A.030.

15 8. “Using agencies” means all officers, departments, institutions,
16 boards, commissions and other agencies in the executive department of the
17 state government which derive their support from public money in whole or
18 in part, whether the money is provided by the State of Nevada, received
19 from the Federal Government or any branch, bureau or agency thereof, or
20 derived from private or other sources, except the Nevada rural housing
21 authority, local governments as defined in NRS 354.474, conservation
22 districts, irrigation districts, the state industrial insurance system and the
23 University and Community College System of Nevada.

24 9. “Volunteer fire department” means a volunteer fire department
25 which pays premiums for industrial insurance pursuant to the provisions of
26 chapters 616A to 616D, inclusive, **or chapter 617** of NRS.

27 **Sec. 59.** NRS 396.251 is hereby amended to read as follows:

28 396.251 1. The board of regents may establish policies and
29 procedures for personnel which govern student employees, physicians
30 engaged in a program for residency training and postdoctoral fellows of the
31 system and which are separate from the policies and procedures established
32 for the unclassified personnel of the system. Any such policy or procedure
33 does not diminish the eligibility of those persons for coverage as employees
34 under the provisions of chapters 616A to 616D, inclusive, **or chapter 617**
35 of NRS.

36 2. In establishing policies and procedures pursuant to subsection 1, the
37 board of regents is not bound by any of the other provisions of this chapter
38 or the provisions of Title 23 of NRS. Those provisions do not apply to a
39 student employee, a physician engaged in a program for residency training
40 or a postdoctoral fellow of the system unless otherwise provided by the
41 board of regents.

1 **Sec. 60.** NRS 412.142 is hereby amended to read as follows:

2 412.142 1. Except as otherwise provided in subsection 2:

3 (a) In all cases in which any member of the militia of the state is
4 wounded, injured, disabled or killed while in the line of duty in the service
5 of the state, the member or the dependents of the member are entitled to
6 receive compensation from the State of Nevada, in accordance with the
7 provisions of chapters 616A to 616D, inclusive, **or chapter 617** of NRS. If
8 that wound, injury or disability is aggravated or recurs while the member is
9 in the line of duty in the service of the state, the member or his dependents
10 are also entitled to receive such compensation.

11 (b) In all cases, the disabled or deceased member shall be deemed to be
12 an employee of the State of Nevada. The compensation to be awarded to
13 the member or to the dependents of the member must be determined upon
14 the basis of his average income from all sources during the year
15 immediately preceding the date of his injury or death or the commencement
16 of his disability, but the compensation must not exceed the maximum
17 prescribed in chapters 616A to 616D, inclusive, **or chapter 617** of NRS.

18 2. The provisions of this section do not apply to a member of the
19 militia of the state or any dependents of the member who is receiving or is
20 entitled to receive compensation or benefits for an injury, wound, illness,
21 disability or death described in this section pursuant to any law or
22 regulation of the Federal Government, if:

23 (a) The federal compensation or benefits arise from military duties
24 performed pursuant to Title 10 or Title 32 of the United States Code; and

25 (b) The wound, injury, illness or disability is not an aggravation or
26 recurrence of a wound, injury, illness or disability that arose from previous
27 duties performed pursuant to Title 10 or Title 32 of the United States Code.

28 **Sec. 61.** NRS 414.110 is hereby amended to read as follows:

29 414.110 1. All functions under this chapter and all other activities
30 relating to emergency management are hereby declared to be governmental
31 functions. Neither the state nor any political subdivision thereof nor other
32 agencies of the state or political subdivision thereof, nor except in cases of
33 willful misconduct, gross negligence, or bad faith, any worker complying
34 with or reasonably attempting to comply with this chapter, or any order or
35 regulation promulgated pursuant to the provisions of this chapter, or
36 pursuant to any ordinance relating to black out or other precautionary
37 measures enacted by any political subdivision of the state, is liable for the
38 death of or injury to persons, or for damage to property, as a result of any such
39 activity. The provisions of this section do not affect the right of any
40 person to receive benefits to which he would otherwise be entitled under

1 this chapter, or under the provisions of chapters 616A to 616D, inclusive,
2 **or chapter 617** of NRS, or under any pension law, nor the right of any such
3 person to receive any benefits or compensation ~~under any Act~~ **pursuant**
4 **to any act** of Congress.

5 2. Any requirement for a license to practice any professional,
6 mechanical or other skill does not apply to any authorized worker who, in
7 the course of performing his duties as such, practices that professional,
8 mechanical or other skill during an emergency.

9 3. As used in this section, the term "worker" includes any full-time or
10 part-time paid, volunteer or auxiliary employee of this state, of any political
11 subdivision thereof, of other states, territories, possessions or the District of
12 Columbia, of the Federal Government, of any neighboring country, or of
13 any political subdivision thereof, or of any agency or organization,
14 performing services for emergency management at any place in this state
15 subject to the order or control of, or pursuant to a request of, the state
16 government or any political subdivision thereof.

17 **Sec. 62.** NRS 475.230 is hereby amended to read as follows:

18 475.230 1. Any fire department which engages in fighting a fire on
19 property owned by the state within the jurisdictional limits of the fire
20 department may submit a claim to the secretary of the state board of
21 examiners to recover any direct expenses and losses incurred as a result of
22 fighting that fire.

23 2. The claim must include:

- 24 (a) The name, address and jurisdictional limits of the fire department;
- 25 (b) The name, address and telephone number of the person making the
26 claim on behalf of the fire department;
- 27 (c) The name and address, if known, of the state agency having
28 jurisdiction over the property on which the fire occurred;
- 29 (d) The exact location of the fire;
- 30 (e) A description of the property burned;
- 31 (f) The number and classification of the personnel and the number and
32 type of equipment used to fight the fire;
- 33 (g) A copy of the fire report; and
- 34 (h) An itemized list of direct expenses and losses incurred while fighting
35 the fire including the purchase cost, estimated cost of repairs and a
36 statement of depreciated value immediately preceding and after the damage
37 to or destruction of any equipment and the extent of any insurance
38 coverage.

39 3. As used in this section, "direct expenses and losses" means certain
40 expenses and losses which were incurred while fighting a fire on property
41 owned by the state. The term is limited to:

- 42 (a) The depreciated value, if any, of any equipment or vehicle which
43 was damaged or destroyed; and

(b) If the employer maintains a plan which supplements coverage for workers' compensation provided pursuant to chapters 616A to 616D, inclusive, **or chapter 617** of NRS by the state industrial insurance system and, **if** the benefits are provided from public money and not by an insurer, any injury or death benefits which would have been paid by the employer from public money.

Sec. 63. NRS 624.256 is hereby amended to read as follows:

624.256 1. Before granting an original or renewal of a contractor's license to any applicant, the board shall require that the applicant submit to the board:

(a) Proof of industrial insurance and insurance for occupational diseases which covers his employees;

(b) A copy of his certificate of qualification as a self-insured employer which was issued by the commissioner of insurance;

(c) If the applicant is a member of an association of self-insured public or private employers, a copy of the certificate issued to the association by the commissioner of insurance; or

(d) An affidavit signed by the applicant affirming that he is not subject to the provisions of chapters 616A to 616D, inclusive, **or chapter 617** of NRS because:

(1) He has no employees;

(2) He is not or does not intend to be a subcontractor for a principal contractor; and

(3) He has not or does not intend to submit a bid on a job for a principal contractor or subcontractor.

2. The board shall notify the fraud control unit for industrial insurance established pursuant to NRS 228.420 whenever the board learns that an applicant or holder of a contractor's license has engaged in business as or acted in the capacity of a contractor within this state without having obtained industrial insurance or insurance for occupational diseases in violation of the provisions of chapters 616A to 617, inclusive, of NRS.

Sec. 64. NRS 624.322 is hereby amended to read as follows:

624.322 1. If, through no fault or act of a prime contractor or anyone employed by him, the owner fails to pay that contractor:

(a) Pursuant to their schedule for payments under the contract, or within a reasonable time after maturity and presentation of charges if no schedule is established;

(b) Any sum certified by the architect, engineer or other supervisory agent of the owner; or

(c) Such sum as is otherwise properly due, or if the owner through his own act or neglect, excluding acts of God, floods, fires or strikes, causes the work to be stopped for a period of 5

1 working days or more, the contractor may, after 5 working days' written
2 notice to the owner, stop work or terminate the contract and recover from
3 the owner payment for all work executed.

4 2. If, through no fault of a subcontractor or anyone employed by him,
5 the contractor fails to pay that subcontractor:

6 (a) Pursuant to the schedule for payments under the subcontract, or
7 within a reasonable time after maturity and presentation of charges if no
8 schedule is established;

9 (b) Any sum certified by the architect, engineer or other supervisory
10 agent of the owner or contractor; or

11 (c) Such sum as is otherwise properly due,
12 or if the contractor through his own acts or neglect, excluding acts of God,
13 floods, fires or strikes, causes the work to be stopped for a period of 5
14 working days or more, the subcontractor may, after 5 working days' written
15 notice to the owner and the contractor, stop work or terminate the
16 subcontract and recover from the contractor payment for all work executed.
17 The subcontractor may not be held liable for nonperformance of that
18 subcontract and for the cost incurred by the contractor to complete the
19 work.

20 3. The provisions of subsection 2 do not apply if the contractor's
21 failure to pay is caused by his need to withhold money pursuant to an
22 official notice from a state agency that he is liable to make payments or
23 contributions for the subcontractor pursuant to chapter 608 or 612 or
24 chapters 616A to 616D, inclusive, **or chapter 617** of NRS.

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