

SENATE BILL NO. 202—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF NEVADA STATE CONTROLLER)

FEBRUARY 20, 2001

Referred to Committee on Government Affairs

SUMMARY—Makes various changes concerning state financial administration.  
(BDR 18-170)

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

~

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

AN ACT relating to state financial administration; revising the requirement of financial reporting by the state controller; changing the designation of certain funds and accounts; requiring new and transferring state employees to authorize the direct deposit of their payroll checks as a condition of employment; making various changes relating to warrants of the state controller; requiring the state controller to present funds in annual financial statements in conformity with generally accepted accounting principles; 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 227.110 is hereby amended to read as follows:  
2     227.110 1. The state controller shall *annually* digest, prepare and  
3     report to the governor ~~[- not later than 60 days after the close of each fiscal~~  
4     ~~year or 60 days after the latest date in the succeeding fiscal year fixed by~~  
5     ~~the legislature for the closing of accounts and final disposition of~~  
6     ~~unexpended funds, to be laid before the legislature at each regular session;]~~  
7     *and the legislature:*  
8     (a) A complete statement of the condition of the revenue, taxable funds,  
9     resources, income and property of the state, and the amount of the  
10    expenditures for the preceding fiscal year.  
11    (b) A full and detailed statement of the public debt.  
12    (c) A tabular statement showing separately the whole amount of each  
13    appropriation of money made by law, the amount paid under each of those  
14    appropriations, and the balance unexpended.  
15    (d) A tabular statement showing the amount of revenue collected from  
16    each county for the preceding year.



1       2. ~~In his report the~~ *The* state controller ~~shall~~ *may* recommend such  
2 plans as he deems expedient for the support of the public credit, for  
3 promoting frugality and economy, and for the better management and more  
4 perfect understanding of the fiscal affairs of the state.

5       **Sec. 2.** NRS 227.160 is hereby amended to read as follows:

6       227.160 1. The state controller shall:

7       (a) Audit all claims against the state, for the payment of which an  
8 appropriation or authorization has been made but of which the amount has  
9 not been definitely fixed by law, which have been examined and passed  
10 upon by the state board of examiners, or which have been presented to the  
11 board and not examined and passed upon by it within 30 days from their  
12 presentation.

13       (b) Allow of those claims mentioned in paragraph (a) as not having  
14 been passed upon by the state board of examiners within 30 days after  
15 presentation the whole, or such portion thereof as he deems just and legal;  
16 and of claims examined and passed upon by the state board of examiners,  
17 such an amount as he decrees just and legal not exceeding the amount  
18 allowed by the board.

19       2. No claim for services rendered or advances made to the state or any  
20 officer thereof may be audited or allowed unless the services or  
21 advancement have been specially authorized by law and an appropriation  
22 or authorization made for its payment.

23       3. For the purpose of satisfying himself of the justness and legality of  
24 any claim, the state controller may examine witnesses under oath and  
25 receive and consider documentary evidence in addition to that furnished  
26 him by the state board of examiners. ~~Except as otherwise provided in NRS~~  
27 ~~227.215, he~~ *The state controller* shall draw warrants on the state treasurer  
28 for such amounts as ~~he~~ *the state controller* allows of claims of the  
29 character described in this section, and also for all claims of which the  
30 amount has been definitely fixed by law and for the payment of which an  
31 appropriation or authorization has been made.

32       **Sec. 3.** NRS 227.200 is hereby amended to read as follows:

33       227.200 ~~Except as otherwise provided in NRS 227.215, the~~ *The* state  
34 controller shall:

35       1. Draw a warrant in favor of any person or governmental payee  
36 certified by an agency of state government to receive money from the  
37 treasury and deliver or mail the warrant to the state treasurer who shall sign  
38 the warrant and:

39       (a) Deliver or mail the countersigned warrant, if it is for an account  
40 payable, directly to the payee or his representative;

41       (b) ~~Deliver the warrant, if~~ *If* it is for payment of an employee ~~it~~ :

42       *(1) Deliver the warrant* to the employee or to the appropriate state  
43 agency for distribution; or

44       *(2) Deposit the warrant to the credit of the employee by direct*  
45 *deposit at a bank or credit union in which the state has an account, if the*  
46 *employee has authorized the direct deposit; or*

47       (c) Deposit the warrant to the credit of the payee through a funds  
48 transfer.



1       2. Keep a warrant register, in which he shall enter all warrants drawn  
2 by him. The arrangement of this book must be such as to show the bill and  
3 warrant number, the amount, out of which fund the warrants are payable,  
4 and a distribution of the warrants under the various appropriations.

5       3. Credit the state treasurer with all warrants paid.

6       **Sec. 4.** NRS 232.355 is hereby amended to read as follows:

7       232.355 1. Except for gifts or grants specifically accounted for in  
8 another fund, all gifts or grants of money or other property which the  
9 divisions of the department of human resources are authorized to accept  
10 must be accounted for in the department of human resources' gift fund,  
11 *which is* hereby created as a ~~trust~~ *special revenue* fund. The fund is a  
12 continuing fund without reversion. The department may establish such  
13 accounts in the fund as are necessary to account properly for gifts received.  
14 All *such* money received by the ~~division~~ *divisions* must be deposited in  
15 the state treasury for credit to the fund. The money in the fund must be paid  
16 out on claims as other claims against the state are paid. Unless otherwise  
17 specifically provided by statute, claims against the fund must be approved  
18 by the director or his delegate.

19       2. Gifts of property other than money may be sold or exchanged when  
20 this is deemed by the head of the facility or agency responsible for the gift  
21 to be in the best interest of the facility or agency. The sale price must not  
22 be less than 90 percent of the value determined by a qualified appraiser  
23 appointed by the head of the facility or agency. All money received from  
24 the sale must be deposited in the state treasury to the credit of the  
25 appropriate gift account in the department of human resources' gift fund.  
26 The money may be spent only for the purposes of the facility or agency  
27 named in the title of the account. The property may not be sold or  
28 exchanged if to do so would violate the terms of the gift.

29       **Sec. 5.** NRS 232.960 is hereby amended to read as follows:

30       232.960 1. Except for gifts or grants specifically accounted for in  
31 another fund, all gifts or grants of money or other property which the  
32 rehabilitation division of the department is authorized to accept must be  
33 accounted for in the department of employment, training and  
34 rehabilitation's gift fund, which is hereby created as a ~~trust~~ *special*  
35 *revenue* fund. The fund is a continuing fund without reversion. The  
36 department may establish such accounts in the fund as are necessary to  
37 account properly for gifts received. All *such* money received by the  
38 division must be deposited in the state treasury for credit to the fund. The  
39 money in the fund must be paid out on claims as other claims against the  
40 state are paid. Unless otherwise specifically provided by statute, claims  
41 against the fund must be approved by the director or his delegate.

42       2. Gifts of property other than money may be sold or exchanged when  
43 it is deemed by the director to be in the best interest of the rehabilitation  
44 division. The sale price must not be less than 90 percent of the value  
45 determined by a qualified appraiser appointed by the director. All money  
46 received from the sale must be deposited in the state treasury to the credit  
47 of the fund. The money may be spent only for the purposes of the division.  
48 The property may not be sold or exchanged if to do so would violate the  
49 terms of the gift.



1     **Sec. 6.** Chapter 281 of NRS is hereby amended by adding thereto a  
2 new section to read as follows:

3     **1. Except as otherwise provided in subsection 2, a person may not be**  
4 **hired as an employee by this state or any agency of this state, or**  
5 **appointed as an officer of this state, and a person already employed by**  
6 **this state or any agency of this state may not transfer to a different**  
7 **agency of this state, unless the person authorizes the direct deposit of his**  
8 **payroll check pursuant to NRS 227.200.**

9     **2. The provisions of subsection 1 do not apply to a person:**

10     **(a) Elected or appointed to fill an elective office;**

11     **(b) In temporary or part-time service pursuant to NRS 284.325;**

12     **(c) With a disability who holds a temporary limited appointment**  
13 **pursuant to NRS 284.327; or**

14     **(d) If the chief officer of the hiring or appointing entity determines**  
15 **that the application of subsection 1 will impose great practical difficulties**  
16 **or unnecessary hardship on the person.**

17     **Sec. 7.** NRS 349.952 is hereby amended to read as follows:

18     349.952 1. Except as otherwise provided in subsection 3 and NRS  
19 349.951, all amounts received by the director from an obligor in  
20 connection with any financing undertaken pursuant to NRS 349.935 to  
21 349.961, inclusive, must be deposited with the state treasurer for credit to  
22 the account for the financing of water projects which is hereby created in  
23 the fund for ~~the municipal bond bank.~~ **natural resources, which is hereby**  
24 **created as a special revenue fund.**

25     2. Any revenue from water projects financed with state securities  
26 which is in the account must be applied in the following order of priority:

27     (a) Deposited into the consolidated bond interest and redemption fund  
28 in amounts necessary to pay the principal of, interest on and redemption  
29 premiums due in connection with state securities issued for water projects.

30     (b) Deposited into any reserve account created for the payment of the  
31 principal of, interest on and redemption premiums due in connection with  
32 state securities issued for water projects, in amounts and at times  
33 determined to be necessary.

34     (c) Paid out for expenses of operation and maintenance.

35     3. Any revenue from water projects financed with revenue bonds may:

36     (a) Be deposited in the account for the financing of water projects and  
37 subject to the provisions of subsection 2; or

38     (b) Subject to any agreement with the holders of the bonds, be invested,  
39 deposited or held by the director in such funds or accounts as he deems  
40 necessary or desirable. If the director is acting pursuant to this subsection,  
41 he need not deposit the money in the state treasury and the provisions of  
42 chapters 355 and 356 of NRS do not apply to any investments or deposits  
43 made pursuant to this subsection.

44     **Sec. 8.** NRS 350A.190 is hereby amended to read as follows:

45     350A.190 1. All revenues from lending projects must be deposited in  
46 the fund for the municipal bond bank in the state treasury, which is hereby  
47 created as ~~a special revenue~~ **an enterprise** fund.

48     2. Any revenue from lending projects which is in the fund must be  
49 applied in the following order of priority:



\* S B 2 0 2 \*

1 (a) Deposited into the consolidated bond interest and redemption fund  
2 created pursuant to NRS 349.090 in amounts necessary to pay the principal  
3 of, interest on and redemption premiums due in connection with state  
4 securities issued pursuant to this chapter.

5 (b) Deposited into any reserve account created for the payment of the  
6 principal of, interest on and redemption premiums due in connection with  
7 state securities issued pursuant to this chapter, in amounts and at times  
8 determined to be necessary.

9 (c) Paid out for expenses of operation and maintenance.

10 (d) On July 1 of each odd-numbered year, to the extent of any  
11 uncommitted balance in the fund, deposited in the state general fund.

12 **Sec. 9.** Chapter 353 of NRS is hereby amended by adding thereto a  
13 new section to read as follows:

14 ***"Generally accepted accounting principles" means generally accepted***  
15 ***accounting principles for government as prescribed by the Governmental***  
16 ***Accounting Standards Board.***

17 **Sec. 10.** NRS 353.130 is hereby amended to read as follows:

18 353.130 All state controller's warrants issued in payment of claims  
19 against the state become void if not presented for payment to the state  
20 treasurer within 180 days after the date of issuance. All such warrants  
21 remaining unpaid after the expiration of the 180 days ~~+, whether~~  
22 ~~outstanding or uncalled for in the office of the state controller, +~~ must be  
23 canceled by the state controller, and the state treasurer must be notified  
24 immediately of the cancellation. The state treasurer shall not pay a warrant  
25 presented for payment more than 180 days after the date of issuance.

26 **Sec. 11.** NRS 353.140 is hereby amended to read as follows:

27 353.140 1. The state controller shall establish an account for lost and  
28 stale warrants in each fund and credit to it the amount of each warrant  
29 canceled ~~+~~ ***pursuant to NRS 353.130.***

30 2. If a state controller's warrant has been lost or destroyed, the person  
31 in whose favor the warrant was drawn may, within ~~1+ year from~~ ***6 years***  
32 ***after*** the date of the original warrant, ~~file~~ ***request another warrant in lieu***  
33 ***of the original warrant by:***

34 (a) ***Filing*** with the state controller an affidavit ~~setting~~ ***:***

35 (1) ***Providing sufficient information for the state controller to***  
36 ***identify the original warrant;***

37 (2) ***Setting*** forth the reasons for the failure to present the warrant for  
38 payment ; and

39 (3) ***Affirming*** that the warrant is not , to the knowledge of ***the*** affiant  
40 , held by any other person or persons ~~+~~ ; and

41 (b) ***If he files the affidavit more than 180 days after the date of the***  
42 ***original warrant, renewing his claim against the state.***

43 If the state controller is satisfied that the original warrant is lost or  
44 destroyed, and the claim has not been paid by the state, he may issue  
45 another warrant in lieu of the original warrant . ~~and~~

46 3. ***If the state controller issues another warrant in lieu of an original***  
47 ***warrant canceled pursuant to NRS 353.130, he shall, except as otherwise***  
48 ***provided by specific statute, charge the amount thereof to the account for***



1 lost and stale warrants in the fund upon which the original warrant was  
2 drawn.

3 ~~{3-}~~ 4. In June of each year, as to each warrant whose original date is  
4 at least ~~{1-year}~~ *6 years* old and whose amount credited to the account for  
5 lost and stale warrants has not been charged out as provided in subsection  
6 ~~{2-}~~ 3, the state controller shall, except as otherwise ~~{provided in subsection~~  
7 ~~4-credit}~~ *provided by specific statute, recognize as revenue in* the fund  
8 upon which the original warrant was drawn ~~{for}~~ an amount equivalent to  
9 the original warrant ~~{}~~ and shall charge the account for lost and stale  
10 warrants.

11 ~~{4- The state controller shall credit the wildlife account in the state~~  
12 ~~general fund for any such warrant drawn from that account.}~~

13 **Sec. 12.** NRS 353.295 is hereby amended to read as follows:

14 353.295 As used in the State Accounting Procedures Law, unless the  
15 context otherwise requires, and in all accounting procedures and reports  
16 pursuant to this chapter, the words and terms defined in NRS 353.2961 to  
17 353.3135, inclusive, *and section 9 of this act* have the meanings ascribed  
18 to them in those sections.

19 **Sec. 13.** NRS 353.321 is hereby amended to read as follows:

20 353.321 1. The state controller shall report each fund ~~{and account~~  
21 ~~group}~~ in one of the following categories for purposes of annual financial  
22 statements:

- 23 (a) State general fund;  
24 (b) Special revenue funds;  
25 (c) ~~{Funds for the construction of capital projects;}~~ *Capital projects*  
26 *funds;*  
27 (d) ~~{Internal service funds;}~~  
28 ~~{(e) Enterprise funds;}~~  
29 ~~{(f) Fiduciary funds;}~~  
30 ~~{(g) Debt service funds;}~~  
31 ~~{(h) General long-term debt account group; or}~~  
32 ~~{(i) General fixed assets account group.}~~  
33 (e) *Permanent funds;*  
34 (f) *Enterprise funds;*  
35 (g) *Internal service funds;*  
36 (h) *Pension trust funds;*  
37 (i) *Investment trust funds;*  
38 (j) *Private purpose trust funds; or*  
39 (k) *Agency funds.*

40 2. All resources and financial transactions of the state government  
41 must be accounted for within a fund . ~~{or account group.}~~ The state  
42 controller shall assign each existing fund ~~{and account group}~~ which is  
43 created by statute to the proper category ~~{unless the category is designated~~  
44 ~~by statute.}~~ *necessary to present the annual financial statements in*  
45 *conformity with generally accepted accounting principles,*  
46 *notwithstanding any statutory designation to the contrary.*

47 **Sec. 14.** NRS 385.095 is hereby amended to read as follows:

48 385.095 Except as otherwise provided in NRS 385.091:



1 1. All gifts of money which the state board is authorized to accept  
2 must be deposited in a ~~{permanent trust}~~ *special revenue* fund in the state  
3 treasury designated as the education gift fund.

4 2. The money available in the education gift fund must be used only  
5 for the purpose specified by the donor, within the scope of the state board's  
6 powers and duties, and no expenditure may be made until approved by the  
7 legislature in an authorized expenditure act or by the interim finance  
8 committee if the legislature is not in session.

9 3. If all or part of the money accepted by the state board from a donor  
10 is not expended before the end of any fiscal year, the remaining balance of  
11 the amount donated must remain in the education gift fund until needed for  
12 the purpose specified by the donor.

13 **Sec. 15.** NRS 397.063 is hereby amended to read as follows:

14 397.063 1. All contributions from students must be accounted for in  
15 the Western Interstate Commission for Higher Education's fund for student  
16 loans which is hereby created as ~~{a special revenue}~~ *an enterprise* fund.

17 2. The three commissioners from the State of Nevada, acting jointly,  
18 shall administer the fund and the money in the fund must be used solely to  
19 provide:

20 (a) Loans to; and

21 (b) Contractual arrangements for educational services and facilities  
22 for,  
23 residents of Nevada who are certified to attend graduate or professional  
24 schools in accordance with the provisions of the Western Regional Higher  
25 Education Compact.

26 3. Loans from the Western Interstate Commission for Higher  
27 Education's fund for student loans, before July 1, 1985, and loans made to  
28 students classified as continuing students before July 1, 1985, must be  
29 made upon the following terms:

30 (a) All student loans must bear interest at 5 percent per annum from the  
31 date when the student receives the loan.

32 (b) Each student receiving a loan must repay the loan with interest  
33 following the termination of his education or completion of his internship  
34 in accordance with the following schedule:

35 (1) Within 5 years for loans which total less than \$10,000.

36 (2) Within 8 years for loans which total \$10,000 or more but less than  
37 \$20,000.

38 (3) Within 10 years for loans which total \$20,000 or more.

39 (c) No student loan may exceed 50 percent of the student fees for any  
40 academic year.

41 **Sec. 16.** NRS 407.075 is hereby amended to read as follows:

42 407.075 1. The state park grant and gift fund is hereby created as a  
43 ~~{trust}~~ *special revenue* fund for the use of the division.

44 2. All grants and gifts of money which the division is authorized to  
45 accept must be deposited with the state treasurer for credit to the state park  
46 grant and gift fund.

47 3. Expenditures from the state park grant and gift fund must be made  
48 only for the purpose of carrying out the provisions of this chapter and other  
49 programs or laws administered by the division.





1     **Sec. 17.** NRS 445A.120 is hereby amended to read as follows:  
2     445A.120 1. The account to finance the construction of treatment  
3     works and the implementation of pollution control projects is hereby  
4     created in the fund for ~~the municipal bond bank~~ *water projects loans,*  
5     *which is hereby created as an enterprise fund.*

6     2. The money in the account must be used only for the purposes set  
7     forth in 33 U.S.C. §§ 1381 et seq.

8     3. All claims against the account must be paid as other claims against  
9     the state are paid.

10    4. The faith of the state is hereby pledged that the money in the  
11    account will not be used for purposes other than those authorized by 33  
12    U.S.C. §§ 1381 et seq.

13    **Sec. 18.** NRS 445A.255 is hereby amended to read as follows:

14    445A.255 1. The account to finance the construction of projects, to  
15    be known as the account for the revolving fund, is hereby created in the  
16    fund for ~~the municipal bond bank~~ *water projects loans.*

17    2. The account to fund activities, other than projects, authorized by the  
18    Safe Drinking Water Act, to be known as the account for set-aside  
19    programs, is hereby created in the fund for the municipal bond bank.

20    3. The money in the account for the revolving fund and the account for  
21    set-aside programs may be used only for the purposes set forth in the Safe  
22    Drinking Water Act.

23    4. All claims against the account for the revolving fund and the  
24    account for set-aside programs must be paid as other claims against the  
25    state are paid.

26    5. The faith of the state is hereby pledged that the money in the  
27    account for the revolving fund and the account for set-aside programs will  
28    not be used for purposes other than those authorized by the Safe Drinking  
29    Water Act.

30    **Sec. 19.** NRS 463.331 is hereby amended to read as follows:

31    463.331 1. An investigative fund is hereby created as ~~a special~~  
32    ~~revenue~~ *an enterprise* fund for the purposes of paying all expenses  
33    incurred by the board and the commission for investigation of an  
34    application for a license, finding of suitability or approval under the  
35    provisions of this chapter. The special revenue of the investigative fund is  
36    the money received by the state from the respective applicants. The amount  
37    to be paid by each applicant is the amount determined by the board in each  
38    case, but the board may not charge any amount to an applicant for a finding  
39    of suitability to be associated with a gaming enterprise pursuant to  
40    paragraph (a) of subsection 2 of NRS 463.167.

41    2. Expenses may be advanced from the investigative fund by the  
42    chairman, and expenditures from the fund may be made without regard to  
43    NRS 281.160. Any money received from the applicant in excess of the  
44    costs and charges incurred in the investigation or the processing of the  
45    application must be refunded pursuant to regulations adopted by the board  
46    and the commission. At the conclusion of the investigation, the board shall  
47    give to the applicant a written accounting of the costs and charges so  
48    incurred.





1     3. Within 3 months after the end of a fiscal year, the amount of the  
2 balance in the fund in excess of \$2,000 must be deposited in the state  
3 general fund.

4     **Sec. 20.** NRS 616A.425 is hereby amended to read as follows:  
5     616A.425 1. There is hereby established in the state treasury the fund  
6 for workers' compensation and safety as ~~in special revenue~~ *an enterprise*  
7 fund. All money received from assessments levied on insurers and  
8 employers by the administrator pursuant to NRS 232.680 must be  
9 deposited in this fund.

10    2. All assessments, penalties, bonds, securities and all other properties  
11 received, collected or acquired by the division for functions supported in  
12 whole or in part from the fund must be delivered to the custody of the state  
13 treasurer for deposit to the credit of the fund.

14    3. All money and securities in the fund must be used to defray all costs  
15 and expenses of administering the program of workmen's compensation,  
16 including the payment of:

17    (a) All salaries and other expenses in administering the division of  
18 industrial relations, including the costs of the office and staff of the  
19 administrator.

20    (b) All salaries and other expenses of administering NRS 616A.435 to  
21 616A.460, inclusive, the offices of the hearings division of the department  
22 of administration and the programs of self-insurance and review of  
23 premium rates by the commissioner.

24    (c) The salary and other expenses of a full-time employee of the  
25 legislative counsel bureau whose principal duties are limited to conducting  
26 research and reviewing and evaluating data related to industrial insurance.

27    (d) All salaries and other expenses of the fraud control unit for  
28 industrial insurance established pursuant to NRS 228.420.

29    (e) Claims against uninsured employers arising from compliance with  
30 NRS 616C.220 and 617.401.

31    (f) All salaries and expenses of the members of the legislative  
32 committee on workers' compensation and any other expenses incurred by  
33 the committee in carrying out its duties pursuant to NRS 218.5375 to  
34 218.5378, inclusive.

35    (g) That portion of the salaries and other expenses of the office for  
36 consumer health assistance established pursuant to NRS 223.550 that is  
37 related to providing assistance to consumers and injured employees  
38 concerning workers' compensation.

39    4. The state treasurer may disburse money from the fund only upon  
40 written order of the controller.

41    5. The state treasurer shall invest money of the fund in the same  
42 manner and in the same securities in which he is authorized to invest state  
43 general funds which are in his custody. Income realized from the  
44 investment of the assets of the fund must be credited to the fund.

45    6. The commissioner shall assign an actuary to review the  
46 establishment of assessment rates. The rates must be filed with the  
47 commissioner 30 days before their effective date. Any insurer or employer  
48 who wishes to appeal the rate so filed must do so pursuant to NRS  
49 679B.310.



\* S B 2 0 2 \*

1     **Sec. 21.** NRS 616A.430 is hereby amended to read as follows:

2     616A.430 1. There is hereby established ~~as a special revenue fund~~  
3 in the state treasury the uninsured employers' claim ~~fund~~ *account in the*  
4 *fund for workers' compensation and safety*, which may be used only for  
5 the purpose of making payments in accordance with the provisions of NRS  
6 616C.220 and 617.401. The administrator shall administer the ~~fund~~  
7 *account* and shall credit any excess money toward the assessments of the  
8 insurers for the succeeding years.

9     2. All assessments, penalties, bonds, securities and all other properties  
10 received, collected or acquired by the administrator for the uninsured  
11 employers' claim ~~fund~~ *account* must be delivered to the custody of the  
12 state treasurer.

13     3. All money and securities in the ~~fund~~ *account* must be held by the  
14 state treasurer as custodian thereof to be used solely for workers'  
15 compensation.

16     4. The state treasurer may disburse money from the ~~fund~~ *account*  
17 only upon written order of the state controller.

18     5. The state treasurer shall invest money of the ~~fund~~ *account* in the  
19 same manner and in the same securities in which he is authorized to invest  
20 money of the state general fund. Income realized from the investment of  
21 the assets of the ~~fund~~ *account* must be credited to the ~~fund~~ *account*.

22     6. The administrator shall adopt regulations for the establishment and  
23 administration of assessment rates, payments and penalties, based upon  
24 expected annual expenditures for claims. Assessment rates must reflect the  
25 relative hazard of the employments covered by the insurers, and must be  
26 based upon expected annual expenditures for claims.

27     7. The commissioner shall assign an actuary to review the  
28 establishment of assessment rates. The rates must be filed with the  
29 commissioner 30 days before their effective date. Any insurer who wishes  
30 to appeal the rate so filed must do so pursuant to NRS 679B.310.

31     **Sec. 22.** NRS 616B.368 is hereby amended to read as follows:

32     616B.368 1. The board of trustees of an association of self-insured  
33 public or private employers is responsible for the money collected and  
34 disbursed by the association.

35     2. The board of trustees shall:

36     (a) Establish a claims account in a financial institution in this state  
37 which is approved by the commissioner and which is federally insured or  
38 insured by a private insurer approved pursuant to NRS 678.755. Except as  
39 otherwise provided in subsection 3, at least 75 percent of the annual  
40 assessment collected by the association from its members must be  
41 deposited in this account to pay:

42         (1) Claims;

43         (2) Expenses related to those claims;

44         (3) The costs associated with the association's policy of excess  
45 insurance; and

46         (4) Assessments, payments and penalties related to the subsequent  
47 injury ~~fund~~ *account* and the uninsured employers' claim ~~fund~~ *account*.

48     (b) Establish an administrative account in a financial institution in this  
49 state which is approved by the commissioner and which is federally



1 insured or insured by a private insurer approved pursuant to NRS 678.755.  
2 The amount of the annual assessment collected by the association that is  
3 not deposited in its claims account must be deposited in this account to pay  
4 the administrative expenses of the association.

5 3. The commissioner may authorize an association to deposit less than  
6 75 percent of its annual assessment in its claims account if the association  
7 presents evidence to the satisfaction of the commissioner that:

8 (a) More than 25 percent of the association's annual assessment is  
9 needed to maintain its programs for loss control and occupational safety;  
10 and

11 (b) The association's policy of excess insurance attaches at less than 75  
12 percent.

13 4. The board of trustees may invest the money of the association not  
14 needed to pay the obligations of the association pursuant to chapter 682A  
15 of NRS.

16 5. The commissioner shall review the accounts of an association  
17 established pursuant to this section at such times as he deems necessary to  
18 ensure compliance with the provisions of this section.

19 **Sec. 23.** NRS 616B.545 is hereby amended to read as follows:

20 616B.545 As used in NRS 616B.545 to 616B.560, inclusive, unless  
21 the context otherwise requires, "board" means the board for the  
22 administration of the subsequent injury ~~fund~~ **account** for self-insured  
23 employers created pursuant to NRS 616B.548.

24 **Sec. 24.** NRS 616B.548 is hereby amended to read as follows:

25 616B.548 1. There is hereby created the board for the administration  
26 of the subsequent injury ~~fund~~ **account** for self-insured employers,  
27 consisting of five members who are self-insured employers. The members  
28 must be appointed by the governor.

29 2. The members of the board shall elect a chairman and vice chairman  
30 from among the members appointed. After the initial election of a  
31 chairman and vice chairman, each of those officers shall hold office for a  
32 term of 2 years commencing on July 1 of each odd-numbered year. If a  
33 vacancy occurs in the chairmanship or vice chairmanship, the members of  
34 the board shall elect a replacement for the remainder of the unexpired term.

35 3. Vacancies on the board must be filled in the same manner as  
36 original appointments.

37 4. The members of the board serve without compensation.

38 5. A legal counsel that has been appointed by or has contracted with  
39 the division pursuant to NRS 232.660 shall serve as legal counsel of the  
40 board.

41 **Sec. 25.** NRS 616B.551 is hereby amended to read as follows:

42 616B.551 1. The members of the board may meet throughout each  
43 year at the times and places specified by a call of the chairman or a  
44 majority of the board. The board may prescribe rules and regulations for its  
45 own management and government. Three members of the board constitute  
46 a quorum, and a quorum may exercise all the power and authority  
47 conferred on the board. If a member of the board submits a claim against  
48 the subsequent injury ~~fund~~ **account** for self-insured employers, that



1 member shall not vote on or otherwise participate in the decision of the  
2 board concerning that claim.

3 2. The board shall administer the subsequent injury ~~fund~~ **account** for  
4 self-insured employers in accordance with the provisions of NRS  
5 616B.554, 616B.557 and 616B.560.

6 **Sec. 26.** NRS 616B.554 is hereby amended to read as follows:

7 616B.554 1. There is hereby ~~established as a special revenue fund~~  
8 **created in the fund for workers' compensation and safety** in the state  
9 treasury the subsequent injury ~~fund~~ **account** for self-insured employers,  
10 which may be used only to make payments in accordance with the  
11 provisions of NRS 616B.557 and 616B.560. The board shall administer the  
12 ~~fund~~ **account** based upon recommendations made by the administrator  
13 pursuant to subsection 8.

14 2. All assessments, penalties, bonds, securities and all other properties  
15 received, collected or acquired by the board for the subsequent injury  
16 ~~fund~~ **account** for self-insured employers must be delivered to the custody  
17 of the state treasurer.

18 3. All money and securities in the ~~fund~~ **account** must be held by the  
19 state treasurer as custodian thereof to be used solely for workers'  
20 compensation for employees of self-insured employers.

21 4. The state treasurer may disburse money from the ~~fund~~ **account**  
22 only upon written order of the board.

23 5. The state treasurer shall invest money of the ~~fund~~ **account** in the  
24 same manner and in the same securities in which he is authorized to invest  
25 state general funds which are in his custody. Income realized from the  
26 investment of the assets of the ~~fund~~ **account** must be credited to the fund.

27 6. The board shall adopt regulations for the establishment and  
28 administration of assessment rates, payments and penalties. Assessment  
29 rates must reflect the relative hazard of the employments covered by self-  
30 insured employers, and must be based upon expected annual expenditures  
31 for claims for payments from the subsequent injury ~~fund~~ **account** for self-  
32 insured employers.

33 7. The commissioner shall assign an actuary to review the  
34 establishment of assessment rates. The rates must be filed with the  
35 commissioner 30 days before their effective date. Any self-insured  
36 employer who wishes to appeal the rate so filed must do so pursuant to  
37 NRS 679B.310.

38 8. The administrator shall:

39 (a) Evaluate any claim submitted to the board for payment or  
40 reimbursement from the subsequent injury ~~fund~~ **account** for self-insured  
41 employers and recommend to the board any appropriate action to be taken  
42 concerning the claim; and

43 (b) Submit to the board any other recommendations relating to the  
44 ~~fund~~ **account**.

45 **Sec. 27.** NRS 616B.557 is hereby amended to read as follows:

46 616B.557 Except as otherwise provided in NRS 616B.560:

47 1. If an employee of a self-insured employer has a permanent physical  
48 impairment from any cause or origin and incurs a subsequent disability by  
49 injury arising out of and in the course of his employment which entitles



1 him to compensation for disability that is substantially greater by reason of  
2 the combined effects of the preexisting impairment and the subsequent  
3 injury than that which would have resulted from the subsequent injury  
4 alone, the compensation due must be charged to the subsequent injury  
5 ~~fund~~ account for self-insured employers in accordance with regulations  
6 adopted by the board.

7 2. If the subsequent injury of such an employee results in his death and  
8 it is determined that the death would not have occurred except for the  
9 preexisting permanent physical impairment, the compensation due must be  
10 charged to the subsequent injury ~~fund~~ account for self-insured employers  
11 in accordance with regulations adopted by the board.

12 3. As used in this section, "permanent physical impairment" means  
13 any permanent condition, whether congenital or caused by injury or  
14 disease, of such seriousness as to constitute a hindrance or obstacle to  
15 obtaining employment or to obtaining reemployment if the employee is  
16 unemployed. For the purposes of this section, a condition is not a  
17 "permanent physical impairment" unless it would support a rating of  
18 permanent impairment of 6 percent or more of the whole man if evaluated  
19 according to the American Medical Association's Guides to the Evaluation  
20 of Permanent Impairment as adopted and supplemented by the division  
21 pursuant to NRS 616C.110.

22 4. To qualify under this section for reimbursement from the  
23 subsequent injury ~~fund~~ account for self-insured employers, the self-  
24 insured employer must establish by written records that the self-insured  
25 employer had knowledge of the "permanent physical impairment" at the  
26 time the employee was hired or that the employee was retained in  
27 employment after the self-insured employer acquired such knowledge.

28 5. A self-insured employer shall notify the board of any possible claim  
29 against the subsequent injury ~~fund~~ account for self-insured employers as  
30 soon as practicable, but not later than 100 weeks after the injury or death.

31 6. The board shall adopt regulations establishing procedures for  
32 submitting claims against the subsequent injury ~~fund~~ account for self-  
33 insured employers. The board shall notify the self-insured employer of his  
34 decision on such a claim within 90 days after the claim is received.

35 7. An appeal of any decision made concerning a claim against the  
36 subsequent injury ~~fund~~ account for self-insured employers must be  
37 submitted directly to the district court.

38 **Sec. 28.** NRS 616B.560 is hereby amended to read as follows:

39 616B.560 1. A self-insured employer who pays compensation due to  
40 an employee who has a permanent physical impairment from any cause or  
41 origin and incurs a subsequent disability by injury arising out of and in the  
42 course of his employment which entitles him to compensation for disability  
43 that is substantially greater by reason of the combined effects of the  
44 preexisting impairment and the subsequent injury than that which would  
45 have resulted from the subsequent injury alone is entitled to be reimbursed  
46 from the subsequent injury ~~fund~~ account for self-insured employers if:

47 (a) The employee knowingly made a false representation as to his  
48 physical condition at the time he was hired by the self-insured employer;



\* S B 2 0 2 \*

1 (b) The self-insured employer relied upon the false representation and  
2 this reliance formed a substantial basis of the employment; and

3 (c) A causal connection existed between the false representation and the  
4 subsequent disability.

5 If the subsequent injury of the employee results in his death and it is  
6 determined that the death would not have occurred except for the  
7 preexisting permanent physical impairment, any compensation paid is  
8 entitled to be reimbursed from the subsequent injury ~~fund~~ *account* for  
9 self-insured employers.

10 2. A self-insured employer shall notify the board of any possible claim  
11 against the subsequent injury ~~fund~~ *account* for self-insured employers  
12 pursuant to this section no later than 60 days after the date of the  
13 subsequent injury or the date the self-insured employer learns of the  
14 employee's false representation, whichever is later.

15 **Sec. 29.** NRS 616B.563 is hereby amended to read as follows:

16 616B.563 As used in NRS 616B.563 to 616B.581, inclusive, unless  
17 the context otherwise requires, "board" means the board for the  
18 administration of the subsequent injury ~~fund~~ *account* for associations of  
19 self-insured public or private employers created pursuant to NRS  
20 616B.569.

21 **Sec. 30.** NRS 616B.569 is hereby amended to read as follows:

22 616B.569 1. There is hereby created the board for the administration  
23 of the subsequent injury ~~fund~~ *account* for associations of self-insured  
24 public or private employers, consisting of five members who are members  
25 of an association of self-insured public or private employers. The members  
26 of the board must be appointed by the governor.

27 2. The members of the board shall elect a chairman and vice chairman  
28 from among the members appointed. After the initial election of a  
29 chairman and vice chairman, each of those officers shall hold office for a  
30 term of 2 years commencing on July 1 of each odd-numbered year. If a  
31 vacancy occurs in the chairmanship or vice chairmanship, the members of  
32 the board shall elect a replacement for the remainder of the unexpired term.

33 3. Vacancies on the board must be filled in the same manner as  
34 original appointments.

35 4. The members of the board serve without compensation.

36 5. A legal counsel that has been appointed by or has contracted with  
37 the division pursuant to NRS 232.660 shall serve as legal counsel of the  
38 board.

39 **Sec. 31.** NRS 616B.572 is hereby amended to read as follows:

40 616B.572 1. The members of the board may meet throughout each  
41 year at the times and places specified by a call of the chairman or a  
42 majority of the board. The board may prescribe rules and regulations for its  
43 own management and government. Three members of the board constitute  
44 a quorum, and a quorum may exercise all the power and authority  
45 conferred on the board. If a member of the board submits a claim against  
46 the subsequent injury ~~fund~~ *account* for associations of self-insured public  
47 or private employers, that member shall not vote on or otherwise  
48 participate in the decision of the board concerning that claim.



1       2. The board shall administer the subsequent injury ~~fund~~ *account* for  
2 associations of self-insured public or private employers in accordance with  
3 the provisions of NRS 616B.575, 616B.578 and 616B.581.

4       **Sec. 32.** NRS 616B.575 is hereby amended to read as follows:

5       616B.575 1. There is hereby ~~established as a special revenue fund~~  
6 *created in the fund for workers' compensation and safety* in the state  
7 treasury the subsequent injury ~~fund~~ *account* for associations of self-  
8 insured public or private employers, which may be used only to make  
9 payments in accordance with the provisions of NRS 616B.578 and  
10 616B.581. The board shall administer the ~~fund~~ *account* based upon  
11 recommendations made by the administrator pursuant to subsection 8.

12       2. All assessments, penalties, bonds, securities and all other properties  
13 received, collected or acquired by the board for the subsequent injury  
14 ~~fund~~ *account* for associations of self-insured public or private employers  
15 must be delivered to the custody of the state treasurer.

16       3. All money and securities in the ~~fund~~ *account* must be held by the  
17 state treasurer as custodian thereof to be used solely for workers'  
18 compensation for employees of members of associations of self-insured  
19 public or private employers.

20       4. The state treasurer may disburse money from the ~~fund~~ *account*  
21 only upon written order of the board.

22       5. The state treasurer shall invest money of the ~~fund~~ *account* in the  
23 same manner and in the same securities in which he is authorized to invest  
24 state general funds which are in his custody. Income realized from the  
25 investment of the assets of the ~~fund~~ *account* must be credited to the  
26 ~~fund~~ *account*.

27       6. The board shall adopt regulations for the establishment and  
28 administration of assessment rates, payments and penalties. Assessment  
29 rates must reflect the relative hazard of the employments covered by  
30 associations of self-insured public or private employers, and must be based  
31 upon expected annual expenditures for claims for payments from the  
32 subsequent injury ~~fund~~ *account* for associations of self-insured public or  
33 private employers.

34       7. The commissioner shall assign an actuary to review the  
35 establishment of assessment rates. The rates must be filed with the  
36 commissioner 30 days before their effective date. Any association of self-  
37 insured public or private employers that wishes to appeal the rate so filed  
38 must do so pursuant to NRS 679B.310.

39       8. The administrator shall:

40       (a) Evaluate any claim submitted to the board for payment or  
41 reimbursement from the subsequent injury ~~fund~~ *account* for associations  
42 of self-insured public or private employers and recommend to the board  
43 any appropriate action to be taken concerning the claim; and

44       (b) Submit to the board any other recommendations relating to the  
45 ~~fund~~ *account*.

46       **Sec. 33.** NRS 616B.578 is hereby amended to read as follows:

47       616B.578 Except as otherwise provided in NRS 616B.581:

48       1. If an employee of a member of an association of self-insured public  
49 or private employers has a permanent physical impairment from any cause



\* S B 2 0 2 \*



1 or origin and incurs a subsequent disability by injury arising out of and in  
2 the course of his employment which entitles him to compensation for  
3 disability that is substantially greater by reason of the combined effects of  
4 the preexisting impairment and the subsequent injury than that which  
5 would have resulted from the subsequent injury alone, the compensation  
6 due must be charged to the subsequent injury ~~fund~~ **account** for  
7 associations of self-insured public or private employers in accordance with  
8 regulations adopted by the board.

9 2. If the subsequent injury of such an employee results in his death and  
10 it is determined that the death would not have occurred except for the  
11 preexisting permanent physical impairment, the compensation due must be  
12 charged to the subsequent injury ~~fund~~ **account** for associations of self-  
13 insured public or private employers in accordance with regulations adopted  
14 by the board.

15 3. As used in this section, “permanent physical impairment” means  
16 any permanent condition, whether congenital or caused by injury or  
17 disease, of such seriousness as to constitute a hindrance or obstacle to  
18 obtaining employment or to obtaining reemployment if the employee is  
19 unemployed. For the purposes of this section, a condition is not a  
20 “permanent physical impairment” unless it would support a rating of  
21 permanent impairment of 6 percent or more of the whole man if evaluated  
22 according to the American Medical Association’s Guides to the Evaluation  
23 of Permanent Impairment as adopted and supplemented by the division  
24 pursuant to NRS 616C.110.

25 4. To qualify under this section for reimbursement from the  
26 subsequent injury ~~fund~~ **account** for associations of self-insured public or  
27 private employers, the association of self-insured public or private  
28 employers must establish by written records that the employer had  
29 knowledge of the “permanent physical impairment” at the time the  
30 employee was hired or that the employee was retained in employment after  
31 the employer acquired such knowledge.

32 5. An association of self-insured public or private employers shall  
33 notify the board of any possible claim against the subsequent injury ~~fund~~  
34 **account** for associations of self-insured public or private employers as  
35 soon as practicable, but not later than 100 weeks after the injury or death.

36 6. The board shall adopt regulations establishing procedures for  
37 submitting claims against the subsequent injury ~~fund~~ **account** for  
38 associations of self-insured public or private employers. The board shall  
39 notify the association of self-insured public or private employers of its  
40 decision on such a claim within 90 days after the claim is received.

41 7. An appeal of any decision made concerning a claim against the  
42 subsequent injury ~~fund~~ **account** for associations of self-insured public or  
43 private employers must be submitted directly to the district court.

44 **Sec. 34.** NRS 616B.581 is hereby amended to read as follows:

45 616B.581 1. An association of self-insured public or private  
46 employers that pays compensation due to an employee who has a  
47 permanent physical impairment from any cause or origin and incurs a  
48 subsequent disability by injury arising out of and in the course of his  
49 employment which entitles him to compensation for disability that is



1 substantially greater by reason of the combined effects of the preexisting  
2 impairment and the subsequent injury than that which would have resulted  
3 from the subsequent injury alone is entitled to be reimbursed from the  
4 subsequent injury ~~fund~~ *account* for associations of self-insured public or  
5 private employers if:

6 (a) The employee knowingly made a false representation as to his  
7 physical condition at the time he was hired by the member of the  
8 association of self-insured public or private employers;

9 (b) The employer relied upon the false representation and this reliance  
10 formed a substantial basis of the employment; and

11 (c) A causal connection existed between the false representation and the  
12 subsequent disability.

13 If the subsequent injury of the employee results in his death and it is  
14 determined that the death would not have occurred except for the  
15 preexisting permanent physical impairment, any compensation paid is  
16 entitled to be reimbursed from the subsequent injury ~~fund~~ *account* for  
17 associations of self-insured public or private employers.

18 2. An association of self-insured public or private employers shall  
19 notify the board of any possible claim against the subsequent injury ~~fund~~  
20 *account* for associations of self-insured public or private employers  
21 pursuant to this section no later than 60 days after the date of the  
22 subsequent injury or the date the employer learns of the employee's false  
23 representation, whichever is later.

24 **Sec. 35.** NRS 616B.584 is hereby amended to read as follows:

25 616B.584 1. There is hereby ~~established as a special revenue fund~~  
26 *created in the fund for workers' compensation and safety* in the state  
27 treasury the subsequent injury ~~fund~~ *account* for private carriers, which  
28 may be used only to make payments in accordance with the provisions of  
29 NRS 616B.587 and 616B.590. The administrator shall administer the  
30 ~~fund~~ *account*.

31 2. All assessments, penalties, bonds, securities and all other properties  
32 received, collected or acquired by the administrator for the subsequent  
33 injury ~~fund~~ *account* for private carriers must be delivered to the custody  
34 of the state treasurer.

35 3. All money and securities in the ~~fund~~ *account* must be held by the  
36 state treasurer as custodian thereof to be used solely for workers'  
37 compensation for employees whose employers are insured by private  
38 carriers.

39 4. The state treasurer may disburse money from the ~~fund~~ *account*  
40 only upon written order of the state controller.

41 5. The state treasurer shall invest money of the ~~fund~~ *account* in the  
42 same manner and in the same securities in which he is authorized to invest  
43 state general funds which are in his custody. Income realized from the  
44 investment of the assets of the ~~fund~~ *account* must be credited to the  
45 ~~fund~~ *account*.

46 6. The administrator shall adopt regulations for the establishment and  
47 administration of assessment rates, payments and penalties. Assessment  
48 rates must reflect the relative hazard of the employments covered by  
49 private carriers and must be based upon expected annual expenditures for



\* S B 2 0 2 \*

1 claims for payments from the subsequent injury ~~fund~~ account for private  
2 carriers.

3 7. The commissioner shall assign an actuary to review the  
4 establishment of assessment rates. The rates must be filed with the  
5 commissioner 30 days before their effective date. Any private carrier who  
6 wishes to appeal the rate so filed must do so pursuant to NRS 679B.310.

7 **Sec. 36.** NRS 616B.587 is hereby amended to read as follows:

8 616B.587 Except as otherwise provided in NRS 616B.590:

9 1. If an employee of an employer who is insured by a private carrier  
10 has a permanent physical impairment from any cause or origin and incurs a  
11 subsequent disability by injury arising out of and in the course of his  
12 employment which entitles him to compensation for disability that is  
13 substantially greater by reason of the combined effects of the preexisting  
14 impairment and the subsequent injury than that which would have resulted  
15 from the subsequent injury alone, the compensation due must be charged to  
16 the subsequent injury ~~fund~~ account for private carriers in accordance  
17 with regulations adopted by the administrator.

18 2. If the subsequent injury of such an employee results in his death and  
19 it is determined that the death would not have occurred except for the  
20 preexisting permanent physical impairment, the compensation due must be  
21 charged to the subsequent injury ~~fund~~ account for private carriers in  
22 accordance with regulations adopted by the administrator.

23 3. As used in this section, "permanent physical impairment" means  
24 any permanent condition, whether congenital or caused by injury or  
25 disease, of such seriousness as to constitute a hindrance or obstacle to  
26 obtaining employment or to obtaining reemployment if the employee is  
27 unemployed. For the purposes of this section, a condition is not a  
28 "permanent physical impairment" unless it would support a rating of  
29 permanent impairment of 6 percent or more of the whole man if evaluated  
30 according to the American Medical Association's Guides to the Evaluation  
31 of Permanent Impairment as adopted and supplemented by the division  
32 pursuant to NRS 616C.110.

33 4. To qualify under this section for reimbursement from the  
34 subsequent injury ~~fund~~ account for private carriers, the private carrier  
35 must establish by written records that the employer had knowledge of the  
36 "permanent physical impairment" at the time the employee was hired or  
37 that the employee was retained in employment after the employer acquired  
38 such knowledge.

39 5. A private carrier shall notify the administrator of any possible claim  
40 against the subsequent injury ~~fund~~ account for private carriers as soon as  
41 practicable, but not later than 100 weeks after the injury or death.

42 6. The administrator shall adopt regulations establishing procedures  
43 for submitting claims against the subsequent injury ~~fund~~ account for  
44 private carriers. The administrator shall notify the private carrier of his  
45 decision on such a claim within 90 days after the claim is received.

46 7. An appeal of any decision made concerning a claim against the  
47 subsequent injury ~~fund~~ account for private carriers must be submitted  
48 directly to the appeals officer. The appeals officer shall hear such an appeal  
49 within 45 days after the appeal is submitted to him.



1     **Sec. 37.** NRS 616B.590 is hereby amended to read as follows:  
2     616B.590 1. A private carrier who pays compensation due to an  
3     employee who has a permanent physical impairment from any cause or  
4     origin and incurs a subsequent disability by injury arising out of and in the  
5     course of his employment which entitles him to compensation for disability  
6     that is substantially greater by reason of the combined effects of the  
7     preexisting impairment and the subsequent injury than that which would  
8     have resulted from the subsequent injury alone is entitled to be reimbursed  
9     from the subsequent injury ~~fund~~ *account* for private carriers if:

10    (a) The employee knowingly made a false representation as to his  
11    physical condition at the time he was hired by the employer insured by a  
12    private carrier;

13    (b) The employer relied upon the false representation and this reliance  
14    formed a substantial basis of the employment; and

15    (c) A causal connection existed between the false representation and the  
16    subsequent disability.

17    If the subsequent injury of the employee results in his death and it is  
18    determined that the death would not have occurred except for the  
19    preexisting permanent physical impairment, any compensation paid is  
20    entitled to be reimbursed from the subsequent injury ~~fund~~ *account* for  
21    private carriers.

22    2. A private carrier shall notify the administrator of any possible claim  
23    against the subsequent injury ~~fund~~ *account* for private carriers pursuant  
24    to this section no later than 60 days after the date of the subsequent injury  
25    or the date the employer learns of the employee's false representation,  
26    whichever is later.

27     **Sec. 38.** NRS 616C.215 is hereby amended to read as follows:

28     616C.215 1. If an injured employee or, in the event of his death, his  
29     dependents, bring an action in tort against his employer to recover payment  
30     for an injury which is compensable pursuant to the provisions of chapters  
31     616A to 616D, inclusive, or chapter 617 of NRS and, notwithstanding the  
32     provisions of NRS 616A.020, receive payment from the employer for that  
33     injury:

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

38     (b) The insurer, or in the case of claims involving the uninsured  
39     employer's claim ~~fund~~ *account* or a subsequent injury ~~fund~~ *account* the  
40     administrator, has a lien upon the total amount paid by the employer if the  
41     injured employee or his dependents receive compensation pursuant to the  
42     provisions of chapters 616A to 616D, inclusive, or chapter 617 of  
43     NRS.

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



1       2. When an employee receives an injury for which compensation is  
2 payable pursuant to the provisions of chapters 616A to 616D, inclusive, or  
3 chapter 617 of NRS and which was caused under circumstances creating a  
4 legal liability in some person, other than the employer or a person in the  
5 same employ, to pay damages in respect thereof:  
6       (a) The injured employee, or in case of death his dependents, may take  
7 proceedings against that person to recover damages, but the amount of the  
8 compensation the injured employee or his dependents are entitled to  
9 receive pursuant to the provisions of chapters 616A to 616D, inclusive, or  
10 chapter 617 of NRS, including any future compensation, must be reduced  
11 by the amount of the damages recovered, notwithstanding any act or  
12 omission of the employer or a person in the same employ which was a  
13 direct or proximate cause of the employee's injury.  
14       (b) If the injured employee, or in case of death his dependents, receive  
15 compensation pursuant to the provisions of chapters 616A to 616D,  
16 inclusive, or chapter 617 of NRS, the insurer, or in case of claims involving  
17 the uninsured employers' claim ~~fund~~ **account** or a subsequent injury  
18 ~~fund~~ **account** the administrator, has a right of action against the person so  
19 liable to pay damages and is subrogated to the rights of the injured  
20 employee or of his dependents to recover therefor.  
21       3. When an injured employee incurs an injury for which compensation  
22 is payable pursuant to the provisions of chapters 616A to 616D, inclusive,  
23 or chapter 617 of NRS and which was caused under circumstances entitling  
24 him, or in the case of death his dependents, to receive proceeds under his  
25 employer's policy of uninsured or underinsured vehicle coverage:  
26       (a) The injured employee, or in the case of death his dependents, may  
27 take proceedings to recover those proceeds, but the amount of  
28 compensation the injured employee or his dependents are entitled to  
29 receive pursuant to the provisions of chapters 616A to 616D, inclusive, or  
30 chapter 617 of NRS, including any future compensation, must be reduced  
31 by the amount of proceeds received.  
32       (b) If an injured employee, or in the case of death his dependents,  
33 receive compensation pursuant to the provisions of chapters 616A to 616D,  
34 inclusive, or chapter 617 of NRS, the insurer, or in the case of claims  
35 involving the uninsured employers' claim ~~fund~~ **account** or a subsequent  
36 injury ~~fund~~ **account** the administrator, is subrogated to the rights of the  
37 injured employee or his dependents to recover proceeds under the  
38 employer's policy of uninsured or underinsured vehicle coverage. The  
39 insurer and the administrator are not subrogated to the rights of an injured  
40 employee or his dependents under a policy of uninsured or underinsured  
41 vehicle coverage purchased by the employee.  
42       4. In any action or proceedings taken by the insurer or the  
43 administrator pursuant to this section, evidence of the amount of  
44 compensation, accident benefits and other expenditures which the insurer,  
45 the uninsured employers' claim ~~fund~~ **account** or a subsequent injury  
46 ~~fund~~ **account** have paid or become obligated to pay by reason of the  
47 injury or death of the employee is admissible. If in such action or  
48 proceedings the insurer or the administrator recovers more than those



1 amounts, the excess must be paid to the injured employee or his  
2 dependents.

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

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

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

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

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

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

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

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

47 Payment of workmen's compensation benefits by the insurer, or in  
48 the case of claims involving the uninsured employers' claim ~~fund~~  
49 account or a subsequent injury ~~fund~~ account the administrator, is



\* S B 2 0 2 \*



1 based upon the fact that a compensable industrial accident occurred,  
2 and does not depend upon blame or fault. If the plaintiff does not  
3 obtain a judgment in his favor in this case, he is not required to repay  
4 his employer, the insurer or the administrator any amount paid to him  
5 or paid on his behalf by his employer, the insurer or the administrator.

6 If you decide that the plaintiff is entitled to judgment against the  
7 defendant, you shall find his damages in accordance with the court's  
8 instructions on damages and return your verdict in the plaintiff's favor  
9 in the amount so found without deducting the amount of any  
10 compensation benefits paid to or for the plaintiff. The law provides a  
11 means by which any compensation benefits will be repaid from your  
12 award.

13 11. To calculate an employer's premium, the employer's account with  
14 the private carrier must be credited with an amount equal to that recovered  
15 by the private carrier from a third party pursuant to this section, less the  
16 private carrier's share of the expenses of litigation incurred in obtaining the  
17 recovery, except that the total credit must not exceed the amount of  
18 compensation actually paid or reserved by the private carrier on the injured  
19 employee's claim.

20 12. As used in this section, "third-party insurer" means an insurer that  
21 issued to a third party who is liable for damages pursuant to subsection 2, a  
22 policy of liability insurance the proceeds of which are recoverable pursuant  
23 to this section. The term includes an insurer that issued to an employer a  
24 policy of uninsured or underinsured vehicle coverage.

25 **Sec. 39.** NRS 616C.220 is hereby amended to read as follows:

26 616C.220 1. The division shall designate one:

27 (a) Third-party administrator who has a valid certificate issued by the  
28 commissioner pursuant to NRS 683A.085; or

29 (b) Insurer, other than a self-insured employer or association of self-  
30 insured public or private employers,  
31 to administer claims against the uninsured employers' claim ~~fund~~  
32 **account**. The designation must be made pursuant to reasonable competitive  
33 bidding procedures established by the administrator.

34 2. An employee may receive compensation from the uninsured  
35 employers' claim ~~fund~~ **account** if:

- 36 (a) He was hired in this state or he is regularly employed in this state;  
37 (b) He suffers an accident or injury in this state which arises out of and  
38 in the course of his employment;  
39 (c) He files a claim for compensation with the division; and  
40 (d) He makes an irrevocable assignment to the division of a right to be  
41 subrogated to the rights of the injured employee pursuant to NRS  
42 616C.215.

43 3. If the division receives a claim pursuant to subsection 2, the division  
44 shall immediately notify the employer of the claim.

45 4. For the purposes of this section, the employer has the burden of  
46 proving that he provided mandatory industrial insurance coverage for the  
47 employee or that he was not required to maintain industrial insurance for  
48 the employee.



\* S B 2 0 2 \*



- 1     5. Any employer who has failed to provide mandatory coverage  
2 required by the provisions of chapters 616A to 616D, inclusive, of NRS is  
3 liable for all payments made on his behalf, including any benefits,  
4 administrative costs or attorney's fees paid from the uninsured employers'  
5 claim ~~fund~~ **account** or incurred by the division.
- 6     6. The division:
- 7       (a) May recover from the employer the payments made by the division  
8 that are described in subsection 5 and any accrued interest by bringing a  
9 civil action in district court.
- 10      (b) In any civil action brought against the employer, is not required to  
11 prove that negligent conduct by the employer was the cause of the  
12 employee's injury.
- 13      (c) May enter into a contract with any person to assist in the collection  
14 of any liability of an uninsured employer.
- 15      (d) In lieu of a civil action, may enter into an agreement or settlement  
16 regarding the collection of any liability of an uninsured employer.
- 17     7. The division shall:
- 18       (a) Determine whether the employer was insured within 30 days after  
19 receiving notice of the claim from the employee.
- 20       (b) Assign the claim to the third-party administrator or insurer  
21 designated pursuant to subsection 1 for administration and payment of  
22 compensation.
- 23     Upon determining whether the claim is accepted or denied, the designated  
24 third-party administrator or insurer shall notify the injured employee, the  
25 named employer and the division of its determination.
- 26     8. Upon demonstration of the:
- 27       (a) Costs incurred by the designated third-party administrator or insurer  
28 to administer the claim or pay compensation to the injured employee; or  
29       (b) Amount that the designated third-party administrator or insurer will  
30 pay for administrative expenses or compensation to the injured employee  
31 and that such amounts are justified by the circumstances of the claim,  
32 the division shall authorize payment from the uninsured employers' claim  
33 ~~fund~~ **account**.
- 34     9. Any party aggrieved by a determination regarding the  
35 administration of an assigned claim or a determination made by the  
36 division or by the designated third-party administrator or insurer regarding  
37 any claim made pursuant to this section may appeal that determination  
38 within 60 days after the determination is rendered to the hearings division  
39 of the department of administration in the manner provided by NRS  
40 616C.305 and 616C.315 to 616C.385, inclusive.
- 41     10. All insurers shall bear a proportionate amount of a claim made  
42 pursuant to chapters 616A to 616D, inclusive, of NRS, and are entitled to a  
43 proportionate amount of any collection made pursuant to this section as an  
44 offset against future liabilities.
- 45     11. An uninsured employer is liable for the interest on any amount  
46 paid on his claims from the uninsured employers' claim ~~fund~~ **account**.  
47 The interest must be calculated at a rate equal to the prime rate at the  
48 largest bank in Nevada, as ascertained by the commissioner of financial  
49 institutions, on January 1 or July 1, as the case may be, immediately



\* S B 2 0 2 \*

1 preceding the date of the claim, plus 3 percent, compounded monthly, from  
2 the date the claim is paid from the ~~fund~~ *account* until payment is received  
3 by the division from the employer.

4 12. Attorney's fees recoverable by the division pursuant to this section  
5 must be:

6 (a) If a private attorney is retained by the division, paid at the usual and  
7 customary rate for that attorney.

8 (b) If the attorney is an employee of the division, paid at the rate  
9 established by regulations adopted by the division.

10 Any money collected must be deposited to the uninsured employers' claim  
11 ~~fund~~ *account*.

12 13. In addition to any other liabilities provided for in this section, the  
13 administrator may impose an administrative fine of not more than \$10,000  
14 against an employer if the employer fails to provide mandatory coverage  
15 required by the provisions of chapters 616A to 616D, inclusive, of NRS.

16 **Sec. 40.** NRS 616D.200 is hereby amended to read as follows:

17 616D.200 1. If the administrator finds that an employer within the  
18 provisions of NRS 616B.633 has failed to provide and secure  
19 compensation as required by the terms of chapters 616A to 616D,  
20 inclusive, or chapter 617 of NRS or that the employer has provided and  
21 secured that compensation but has failed to maintain it, he shall make a  
22 determination thereon and may charge the employer an amount equal to the  
23 sum of:

24 (a) The premiums that would otherwise have been owed to a private  
25 carrier pursuant to the terms of chapters 616A to 616D, inclusive, or  
26 chapter 617 of NRS, as determined by the administrator based upon the  
27 manual rates adopted by the commissioner, for the period that the employer  
28 was doing business in this state without providing, securing or maintaining  
29 that compensation, but not to exceed 6 years; and

30 (b) Interest at a rate determined pursuant to NRS 17.130 computed from  
31 the time that the premiums should have been paid.

32 The money collected pursuant to this subsection must be paid into the  
33 uninsured employers' claim ~~fund~~ *account*.

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

38 3. Any employer within the provisions of NRS 616B.633 who fails to  
39 provide, secure or maintain compensation as required by the terms of  
40 chapters 616A to 616D, inclusive, or chapter 617 of NRS, shall be  
41 punished as follows:

42 (a) Except as otherwise provided in paragraph (b), if it is a first offense,  
43 for a misdemeanor.

44 (b) If it is a first offense and, during the period the employer was doing  
45 business in this state without providing, securing or maintaining  
46 compensation, one of his employees suffers an injury arising out of and in  
47 the course of his employment that results in substantial bodily harm to the  
48 employee or the death of the employee, for a category C felony punishable  
49 by imprisonment in the state prison for a minimum term of not less than 1



1 year and a maximum term of not more than 5 years and by a fine of not less than \$1,000 nor more than \$50,000.

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

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

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

13 (b) Reimburse the uninsured employers' claim ~~fund~~ account for all  
14 payments made from the ~~fund~~ account on the employer's behalf,  
15 including any benefits, administrative costs or attorney's fees paid from the  
16 ~~fund~~ account, that have not otherwise been recovered pursuant to NRS  
17 616C.220.

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

20 **Sec. 41.** NRS 616D.220 is hereby amended to read as follows:

21 616D.220 1. If the administrator finds that any employer or any  
22 employee, officer or agent of any employer has knowingly:

23 (a) Made a false statement or has knowingly failed to report a material  
24 fact concerning the amount of payroll upon which a premium is based; or

25 (b) Misrepresented the classification or duties of an employee,  
26 he shall make a determination thereon and charge the employer's account  
27 an amount equal to the amount of the premium that would have been due  
28 had the proper information been submitted. The administrator shall deliver  
29 a copy of his determination to the employer. The money collected pursuant  
30 to this subsection must be paid into the uninsured employers' claim ~~fund~~  
31 account.

32 2. An employer who is aggrieved by the determination of the  
33 administrator may appeal from the determination by filing a request for a  
34 hearing. The request must be filed within 30 days after the date on which a  
35 copy of the determination was delivered to the employer. The administrator  
36 shall hold a hearing within 30 days after he receives the request. The  
37 determination of the administrator made pursuant to a hearing is a final  
38 decision for the purposes of judicial review. The amount of the  
39 determination as finally decided by the administrator becomes due within  
40 30 days after the determination is served on the employer.

41 3. A person who knowingly:

42 (a) Makes a false statement or representation or who knowingly fails to  
43 report a material fact concerning the amount of payroll upon which a  
44 premium is based; or

45 (b) Misrepresents the classification or duties of an employee,  
46 is guilty of a gross misdemeanor. Any criminal penalty imposed must be in  
47 addition to the amount charged pursuant to subsection 1.



\* S B 2 0 2 \*

1     **Sec. 42.** NRS 616D.230 is hereby amended to read as follows:  
2     616D.230 1. An employer who fails to pay an amount of money  
3     charged to him pursuant to the provisions of NRS 616D.200 or 616D.220  
4     is liable in a civil action commenced by the attorney general for:  
5     (a) Any amount charged to the employer by the administrator pursuant  
6     to NRS 616D.200 or 616D.220;  
7     (b) Not more than \$10,000 for each act of willful deception;  
8     (c) An amount equal to three times the total amount of the reasonable  
9     expenses incurred by the state in enforcing this section; and  
10    (d) Payment of interest on the amount charged at the rate fixed pursuant  
11    to NRS 99.040 for the period from the date upon which the amount  
12    charged was due to the date upon which the amount charged is paid.  
13    2. A criminal action need not be brought against an employer  
14    described in subsection 1 before civil liability attaches under this section.  
15    3. Any payment of money charged pursuant to the provisions of NRS  
16    616D.200 or 616D.220 and collected pursuant to paragraph (a) or (d) of  
17    subsection 1 must be paid into the uninsured employers' claim ~~fund~~  
18    ~~account~~ **account**.  
19    4. Any penalty collected pursuant to paragraph (b) or (c) of subsection  
20    1 must be used to pay the salaries and other expenses of the fraud control  
21    unit for industrial insurance established pursuant to the provisions of NRS  
22    228.420. Any money remaining at the end of any fiscal year does not revert  
23    to the state general fund.  
24    **Sec. 43.** NRS 617.401 is hereby amended to read as follows:  
25    617.401 1. The division shall designate one:  
26    (a) Third-party administrator who has a valid certificate issued by the  
27    commissioner pursuant to NRS 683A.085; or  
28    (b) Insurer, other than a self-insured employer or association of self-  
29    insured public or private employers,  
30    to administer claims against the uninsured employers' claim ~~fund~~  
31    ~~account~~ **account**. The designation must be made pursuant to reasonable competitive  
32    bidding procedures established by the administrator.  
33    2. An employee may receive compensation from the uninsured  
34    employers' claim ~~fund~~ **account** if:  
35    (a) He was hired in this state or he is regularly employed in this state;  
36    (b) He contracts an occupational disease as a result of work performed  
37    in this state;  
38    (c) He files a claim for compensation with the division; and  
39    (d) He makes an irrevocable assignment to the division of a right to be  
40    subrogated to the rights of the employee pursuant to NRS 616C.215.  
41    3. If the division receives a claim pursuant to subsection 2, the division  
42    shall immediately notify the employer of the claim.  
43    4. For the purposes of this section, the employer has the burden of  
44    proving that he provided mandatory coverage for occupational diseases for  
45    the employee or that he was not required to maintain industrial insurance  
46    for the employee.  
47    5. Any employer who has failed to provide mandatory coverage  
48    required by the provisions of this chapter is liable for all payments made on  
49    his behalf, including, but not limited to, any benefits, administrative costs



1 or attorney's fees paid from the uninsured employers' claim ~~fund~~ *account*  
2 or incurred by the division.

3 6. The division:

4 (a) May recover from the employer the payments made by the division  
5 that are described in subsection 5 and any accrued interest by bringing a  
6 civil action in district court.

7 (b) In any civil action brought against the employer, is not required to  
8 prove that negligent conduct by the employer was the cause of the  
9 occupational disease.

10 (c) May enter into a contract with any person to assist in the collection  
11 of any liability of an uninsured employer.

12 (d) In lieu of a civil action, may enter into an agreement or settlement  
13 regarding the collection of any liability of an uninsured employer.

14 7. The division shall:

15 (a) Determine whether the employer was insured within 30 days after  
16 receiving the claim from the employee.

17 (b) Assign the claim to the third-party administrator or insurer  
18 designated pursuant to subsection 1 for administration and payment of  
19 compensation.

20 Upon determining whether the claim is accepted or denied, the designated  
21 third-party administrator or insurer shall notify the injured employee, the  
22 named employer and the division of its determination.

23 8. Upon demonstration of the:

24 (a) Costs incurred by the designated third-party administrator or insurer  
25 to administer the claim or pay compensation to the injured employee; or

26 (b) Amount that the designated third-party administrator or insurer will  
27 pay for administrative expenses or compensation to the injured employee  
28 and that such amounts are justified by the circumstances of the claim,  
29 the division shall authorize payment from the uninsured employers' claim  
30 ~~fund~~ *account*.

31 9. Any party aggrieved by a determination regarding the  
32 administration of an assigned claim or a determination made by the  
33 division or by the designated third-party administrator or insurer regarding  
34 any claim made pursuant to this section may appeal that determination  
35 within 60 days after the determination is rendered to the hearings division  
36 of the department of administration in the manner provided by NRS  
37 616C.305 and 616C.315 to 616C.385, inclusive.

38 10. All insurers shall bear a proportionate amount of a claim made  
39 pursuant to this chapter, and are entitled to a proportionate amount of any  
40 collection made pursuant to this section as an offset against future  
41 liabilities.

42 11. An uninsured employer is liable for the interest on any amount  
43 paid on his claims from the uninsured employers' claim ~~fund~~ *account*.  
44 The interest must be calculated at a rate equal to the prime rate at the  
45 largest bank in Nevada, as ascertained by the commissioner of financial  
46 institutions, on January 1 or July 1, as the case may be, immediately  
47 preceding the date of the claim, plus 3 percent, compounded monthly, from  
48 the date the claim is paid from the ~~fund~~ *account* until payment is received  
49 by the division from the employer.



\* S B 2 0 2 \*

1 12. Attorney's fees recoverable by the division pursuant to this section  
2 must be:

3 (a) If a private attorney is retained by the division, paid at the usual and  
4 customary rate for that attorney.

5 (b) If the attorney is an employee of the division, paid at the rate  
6 established by regulations adopted by the division.

7 Any money collected must be deposited to the uninsured employers' claim  
8 ~~fund.~~ **account.**

9 13. In addition to any other liabilities provided for in this section, the  
10 administrator may impose an administrative fine of not more than \$10,000  
11 against an employer if the employer fails to provide mandatory coverage  
12 required by the provisions of this chapter.

13 **Sec. 44.** NRS 227.215 and 353.145 are hereby repealed.

14 **Sec. 45.** 1. The state controller shall, as he determines necessary to  
15 carry out the provisions of this act, cause the transfer of any money  
16 between funds and accounts whose designations are changed by the  
17 provisions of this act.

18 2. All rights and liabilities of a fund or account whose designation is  
19 changed by the provisions of this act are not affected by the change in  
20 designation and remain the rights and liabilities of the fund or account as  
21 newly designated.

22 **Sec. 46.** This act becomes effective on July 1, 2001.

23 **Sec. 47.** The legislative counsel shall:

24 1. In preparing the reprint and supplements to the Nevada Revised  
25 Statutes, with respect to any section that is not amended by this act or is  
26 further amended by another act, appropriately change any reference to any  
27 fund or account whose designation is changed by the provisions of this act.

28 2. In preparing supplements to the Nevada Administrative Code,  
29 appropriately change any reference to any fund or account whose  
30 designation is changed by the provisions of this act.

---

---

## TEXT OF REPEALED SECTIONS

---

---

### **227.215 Minimum amount for drawing warrant; exceptions.**

Unless the state controller determines that earlier payment is necessary, he shall not draw a warrant for less than \$25, but shall accumulate claims for less than \$25 until:

1. The claims of a particular claimant amount to \$25 or more; or
2. The end of the fiscal year.

### **353.145 Renewal of claim by presentation to state board of examiners; payment.**

1. If a state controller's warrant has been canceled pursuant to the provisions of NRS 353.130, after a period of 1 year from the date of the original warrant, the person in whose favor the warrant was drawn may



\* S B 2 0 2 \*

renew his claim against the state, in the amount of the warrant which was canceled, by presenting it to the state board of examiners.

2. If approved by the state board of examiners, payment may be made out of the state claims account as provided in NRS 353.097.

