

CHAPTER.....

AN ACT relating to industrial insurance; providing that an employee of a contractor or subcontractor who is covered under a consolidated insurance program that is established and administered by the owner or principal contractor of certain construction projects is an employee of the contractor or subcontractor for the purpose of determining the loss experience of the contractor or subcontractor and shall not be deemed an employee of the owner or principal contractor for the purpose of determining the loss experience of the owner or principal contractor; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

A private company, public entity or utility that is the owner or principal contractor of a construction project whose estimated total cost equals or exceeds a threshold amount established by the Commissioner of Insurance may establish and administer a consolidated insurance program that provides industrial insurance coverage for the employees of contractors and subcontractors who are engaged in the construction project. (NRS 616B.710) Under existing law, an employee of a contractor or subcontractor who is covered under the consolidated insurance program is considered an employee of the owner or principal contractor of the construction project for the purpose of determining the loss experience of the owner or principal contractor. (NRS 616B.732) This bill provides instead that such an employee is considered an employee of the contractor or subcontractor, not the owner or principal contractor of the construction project, for the purpose of establishing the loss experience of the owner, principal contractor, contractor and subcontractor.

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

Section 1. NRS 616B.732 is hereby amended to read as follows:

616B.732 If an owner or principal contractor establishes and administers a consolidated insurance program pursuant to NRS 616B.710, each employee *of a contractor or subcontractor* who is covered under the consolidated insurance program ~~{shall}~~ :

1. Is an employee of the contractor or subcontractor for the purpose of determining the loss experience of the contractor or subcontractor.

2. Shall not be deemed to be an employee of the owner or principal contractor for the purpose of determining the loss experience of the owner or principal contractor.



Sec. 2. This act becomes effective on July 1, 2007.

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