MINUTES OF THE SENATE COMMITTEE ON COMMERCE AND LABOR

Eightieth Session May 27, 2019

The Senate Committee on Commerce and Labor was called to order by Chair Pat Spearman at 3:53 p.m. on Monday, May 27, 2019, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Pat Spearman, Chair Senator Marilyn Dondero Loop, Vice Chair Senator Chris Brooks Senator Joseph P. Hardy Senator James A. Settelmeyer Senator Heidi Seevers Gansert

COMMITTEE MEMBERS ABSENT:

Senator Nicole J. Cannizzaro (Excused)

GUEST LEGISLATORS PRESENT:

Assemblywoman Lesley E. Cohen, Assembly District No. 29 Assemblyman Howard Watts, Assembly District No. 15

STAFF MEMBERS PRESENT:

Cesar Melgarejo, Committee Policy Analyst Bryan Fernley, Committee Counsel Jennifer Richardson, Committee Secretary

OTHERS PRESENT:

Jason Mills, Nevada Justice Association

Jaron Hildebrand, Nevada Self Insurers Association

Michael Pelham, MBA, Nevada Taxpayers Association
Andrew MacKay, Nevada Franchised Auto Dealers Association
David Dazlich, Las Vegas Metro Chamber of Commerce
Sophia Romero, Legal Aid Center of Southern Nevada
Susan Fisher, Nevada Housing Alliance
Ray Bacon, Nevada Manufacturers Association
Stephen Aichroth, Administrator, Housing Division, Department of Business and Industry

CHAIR SPEARMAN:

We will open the hearing on Assembly Bill (A.B.) 128.

ASSEMBLY BILL 128 (1st Reprint): Revises provisions governing vocational rehabilitation. (BDR 53-829)

ASSEMBLYWOMAN LESLEY E. COHEN (Assembly District No. 29):

I am presenting <u>A.B. 128</u>. Law requires a vocational rehabilitation counselor to develop a program plan for vocational rehabilitation of injured workers, including job placement assistance for eligible employees.

Nevada Revised Statutes (NRS) 615.140 defines vocational rehabilitation services as "any goods and services necessary to prepare an individual with a disability to engage in competitive integrated employment or to determine the rehabilitation potential of the individual."

This bill was extensively negotiated when it was in the Assembly. It is important to change the statute, because we need to help injured Nevadans return to work. The goal of <u>A.B. 128</u> is to allow an injured worker more time to work through a vocational rehabilitation plan in order get him or her working again.

Section 1, subsection 1 sets forth that a vocational rehabilitation counselor shall develop a plan for vocational rehabilitation with an eligible worker.

Section 1, subsection 2 involves an employee who has marketable skills. Marketable skills are demonstrated work skills acquired through previous employment, training or education that fall within the physical limitations of the injured employee.

To be considered marketable skills, the skills must have been acquired by the employee in the preceding seven years. In addition, the skills have to lead to gainful employment in an occupation that is continuously available in the Nevada labor market.

If the vocational rehabilitation counselor determines that the injured employee has marketable skills, the counselor will provide job placement assistance for up to six months. The counselor determines how much time that will be. For example, an injured floor nurse has education and training. He or she does not need to get a new degree.

Section 1, subsections 3 through 6 addresses an injured employee without marketable skills and determines the length of a plan based on the employee's impairment rating. An injured employee's impairment rating is determined by a doctor or a chiropractor.

Section 1, subsection 3, paragraph (a) states when no permanent physical impairment rating has been issued or a disability with a permanent physical impairment of zero percent, the plan must not exceed 9 months. Paragraph (b) states when permanent physical impairment of 1 percent or more, but less than 6 percent, the plan is not to exceed 12 months. Paragraph (c) states when permanent physical impairment is 6 percent or more, the plan is not to exceed 24 months.

Section 2 deletes language made unnecessary by the changes in section 1. Section 2 adds that a vocational rehabilitation plan may be extended by a hearings or appeals officer.

Section 3 states existing law allows an injured worker to choose a lump sum payment in lieu of retraining. It sets the buyout at no more than 55 percent of the maximum amount of vocational rehabilitation maintenance due to the injured employee.

Sections 4 and 5 set the effective date of the bill to July 1, 2019. For an employee in an existing program or program completed on or before the effective date, the new bill will not apply. If an employee is injured prior to the effective date but is not in a program or is processing a litigated program, the bill and its new language are applicable.

JASON MILLS (Nevada Justice Association):

I am presenting A.B. 128. We want injured Nevadans to get back to work as quickly as possible with skills that can be acquired through requisite training.

The 24 month rehabilitation period is important in order to capture a significant number of injured workers that have work restrictions so that they can enter programs, such as a 2-year community college course. The previous cap was limited to 18 months.

SENATOR HARDY:

What happens to the injured workers' jobs? Will their positions be held for them until they complete rehabilitation?

MR. MILLS:

Existing workers' compensation statute does not protect the worker's job. Federal law, such as the Family and Medical Leave Act, protects jobs up to 12 weeks. There are exceptions if the parties have entered into a collective bargaining agreement.

SENATOR HARDY:

Does this bill protect jobs up to 12 weeks?

MR. MILLS:

No. This bill addresses the scenario where the injured employee can no longer work in that job because of his or her industrial injury. The injured employee has to demonstrate marketable skills or retrain in another field or discipline, because they cannot physically return to his or her job as determined by the physician treating them. Even if that job was available, the injured employee could not do that job because of the injury.

SENATOR HARDY:

Are there adverse conditions to the businesses?

MR. MILLS:

No.

SENATOR DONDERO LOOP:

Does the bill define permanent physical impairment?

Mr. Mills:

Permanent physical impairment is defined in the Workers' Compensation Act, NRS 616C.490 and NRS 616C.110. Rehabilitation law determines the amount of time a person is entitled for retraining based on his or her permanent impairment rating. This bill does not change the definition of a permanent physical impairment.

JARON HILDEBRAND (Nevada Self Insurers Association):
We support A.B. 128. We agree with the compromises made in this bill.

MICHAEL PELHAM, MBA (Nevada Taxpayers Association):

We oppose <u>A.B. 128</u>. This bill creates a costly burden for all employers, including government employers. If the costs are large enough for an employer, expenditures will be cut or prices will increase. If the cost to government increases beyond its control, the taxpayer will foot the bill either through reduced services or revenue increases.

ANDREW MACKAY (Nevada Franchised Auto Dealers Association):

We are neutral toward A.B. 128. We have our own self-insured group. We agree with the compromises made.

DAVID DAZLICH (Las Vegas Metro Chamber of Commerce):

We are neutral toward A.B. 128. We agree with the compromises made.

ASSEMBLYWOMAN COHEN:

We would like to address the concerns about costs. These workers are not suing their employers for their injuries. As part of a bargaining agreement made years ago, these employees are supposed to be getting medical care and training to make them whole again. We are putting these people in a position where they can return to the job market.

CHAIR SPEARMAN:

This bill looks like training and rehabilitation we have at the U.S. Department of Veterans Affairs (VA). Veterans who lost a limb in combat are still on active duty because it is their wish. They may not be able to deploy but they can perform jobs where they can serve. The VA has found places for them where they can serve in order to complete their service for full retirement instead of being discharged for medical reasons.

MR. MILLS:

The framework for vocational rehabilitation exists in Nevada under the Workers' Compensation Act, NRS 616C.555 and NRS 616C.560. We have vocational rehabilitation. We have the ability to demonstrate whether an injured worker has marketable skills. This bill is altering the time frame by which the training is done by improving the worker's ability to obtain a sufficient amount of retraining.

CHAIR SPEARMAN:

We will close the hearing on A.B. 128 and open the hearing on A.B. 364.

ASSEMBLY BILL 364 (1st Reprint): Revises provisions governing the transfer, title and sale of manufactured homes. (BDR 43-801)

ASSEMBLYMAN HOWARD WATTS (Assembly District No. 15):

I am presenting <u>A.B. 364</u>. The Legal Aid Center of Southern Nevada (LACSN) reports an increasing issue with transferring mobile home titles when there are private party sales. Oftentimes, the required Bill of Sale is not complete. Titles are not properly signed and notarized. A title can be passed from buyer to buyer without ever going through the proper retitling process with the Department of Business and Industry, Housing Division.

When a buyer does not have the documents needed to obtain a title in his or her name, he or she seeks the assistance of LACSN. The previous owners must be tracked down. This often requires utilizing a private investigator. If a previous owner cannot be found, LACSN is forced to sue all of the previous owners in the chain of title, as well as the Housing Division, to get previous claims released and a new title issued.

This bill seeks to address these issues with three changes to the titling process. Section 2 puts into place the process for people, who do not have the proper paperwork, to apply to the Housing Division for a title backed by a surety bond in an amount equal to one and a half times the assessed value of the property.

Section 3 sets up a mechanism to name a Transfer on Death beneficiary for a manufactured home. This helps keep these properties out of probate.

Section 4, as amended, requires the seller or transferor of a manufactured home to have his or her signature notarized. Buyers or recipients do not require a

notary. With this, we balance maintaining consumer protections with lowering barriers to transferring a title.

These solutions have been implemented by the Department of Motor Vehicles (DMV) and are being utilized successfully to improve the retitling process for consumers. I have many mobile home communities in my district. After talking with residents, I have committed myself to finding ways to help them and to look out for their interests.

SOPHIA ROMERO (Legal Aid Center of Southern Nevada):

I am presenting <u>A.B. 364</u>. I will read a prepared statement ($\underline{\text{Exhibit C}}$). I have included a copy of a sample Bill of Sale and a sample title ($\underline{\text{Exhibit D}}$) for the Committee to review.

SENATOR HARDY:

We have addressed issues with abandoned vehicles. For homes that are abandoned, is there an option with the DMV to address that title?

ASSEMBLYMAN WATTS:

There are times when people abandon manufactured homes. The property can be acquired by the owner of the lot where the abandoned home is located. These provisions would be in effect for anybody transferring mobile home titles.

SUSAN FISHER (Nevada Housing Alliance):

We support A.B. 364. We would like to delete the requirement for a notary. This bill requires one signature to be notarized. Cars may be purchased without a notary. Many manufactured homes are not worth as much as a car.

CHAIR SPEARMAN:

Will the notary requirement make things better or worse?

Ms. FISHER:

We do not think notarization is necessary; however, there are concerns about fraudulent actions. Notarization is necessary to protect against that, but it creates an additional step and an additional expense for people when they are trying to sell their home.

CHAIR SPEARMAN:

Is notarization a safety measure?

Ms. FISHER:

Yes.

RAY BACON (Nevada Manufacturers Association):

We are neutral toward A.B. 364. I receive many misdirected calls from people looking for the Housing Division. I understand how consumers are confused by this process. There needs to be clear information for people who are lost on this issue. We do not do a good job communicating to consumers when we change the law.

STEPHEN AICHROTH (Administrator, Housing Division, Department of Business and Industry):

We are neutral toward A.B. 364.

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CHAIR SPEARMAN: We will close the hearing on A.B. 364. With at 4:23 p.m.	th no public comment, we will adjourn
	RESPECTFULLY SUBMITTED:
	Jennifer Richardson, Committee Secretary
APPROVED BY:	
Senator Pat Spearman, Chair	
DATE:	

Senate Committee on Commerce and Labor

May 27, 2019

EXHIBIT SUMMARY				
Bill Exhibit / # of pages			Witness / Entity	Description
	Α	1		Agenda
	В	4		Attendance Roster
A.B. 364	С	2	Sophia Romero / Legal Aid Center of Southern Nevada	Written Testimony
A.B. 364	D	3	Sophia Romero / Legal Aid Center of Southern Nevada	State of Nevada Manufactured Housing Forms