



**DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS
DIVISION COUNSEL**

NOTICE OF INTENT TO ACT ON PROPOSED REGULATIONS

**Notice of Hearing for the Adoption of Regulations
of the Division of Industrial Relations,
Department of Business and Industry**

LCB File No. R132-14

The Division of Industrial Relations, Department of Business and Industry, State of Nevada (the "Division"), will conduct a public hearing to amend Chapter 616B, Nevada Administrative Code, regarding the Subsequent Injury Account for Private Carriers.

The public hearing on these proposed regulations will be conducted by videoconference on Thursday, February 18, 2016 at 9:00 a.m. at the following locations:

Grant Sawyer Building
555 East Washington Avenue
Room 4412
Las Vegas, Nevada

Legislative Building
401 South Carson Street
Room 2135
Carson City, Nevada

This public workshop will also be available for viewing at that time on the Legislative Counsel Bureau's website at <https://leg.state.nv.us/App/Calendar/A/>.

Pursuant to NRS 233B.0603, the Division is providing the following information pertaining to the public hearing and the proposed regulations.

The need and purpose of the proposed regulations: *The Division of Industrial Relations, Workers' Compensation Section's proposed additions and amendment to Chapter 616B, Nevada Administrative Code, will add new provisions clarifying pre-existing permanent physical impairment; defining the person or persons designated to accept service on behalf of the applicant; clarifying the notification of application acceptance or denial determination issued by the Administrator and lists of witnesses; requiring for filing the application, pleadings, notices, or other documents required by NAC 616B.760 to 616B.766, inclusive, must be made on the legal counsel for the Administrator; clarifying the delivery method of any service filing, pleadings, notices, or other documents required by NAC 616B.760 to 616B.766, inclusive; clarifying "written documentation" and, "permanent physical impairment"; and clarifying when lump-sum payments will be accepted and the amount thereof, for applications filed with the Subsequent Injury Account for Private Carriers.*

The terms and substance of the proposed regulations: *Section 2 of this regulation establishes guidelines for use by the Administrator in making determinations on ratings of permanent physical impairments for subsequent injury fund purposes. Sections 3 through 7 establish requirements relating to service of process of notices, pleadings and other documents concerning claims for reimbursement from the Subsequent Injury Account for Private Carriers ("Account"). Section 8 establishes guidelines for the use of the Administrator in making determinations of proof of an employer's knowledge of an employee's preexisting physical impairment. Section 9 establishes guidelines for use by the Administrator in rating the permanent physical impairment of multiple body parts. Section 10 sets forth circumstances under which the Administrator will authorize reimbursement from the Account in the form of lump-sum payments. Section 11 establishes procedures for reimbursement from the Account for certain compensation paid by annuities purchased by a private carrier to an injured employee. Section 12 amends NAC 616B.010 specifying the limited locations to which documents may be sent. Section 13 amends NAC 616B.760 authorizing the Administrator to refuse to process a claim for reimbursement from the Account that is incomplete or nonconforming, and the Administrator is not prohibited from requiring or obtaining additional information related to the claim. Section 14 amends NAC 616B.763 to provide that the Administrator will, in accordance with existing regulations, make a determination on expenditures which may be reimbursed from the Account and revises the requirements for the computation and reporting of the value of certain accident benefits furnished by a private carrier. Section 15 amends NAC 616B.766 to extend the requirement of the Administrator to notify a private carrier of the disposition of a claim for reimbursement from the Account from 90 days to 120 days after receipt of the claim.*

The estimated economic effect of the proposed regulations on (a) regulated businesses and (b) the public, including, stated separately: (i) adverse and beneficial effects; and (ii) immediate and long-term effects:

Adverse: The Division believes that there will be no adverse effects, either immediate or long-term, that would negatively impact regulated businesses. The Division also believes that there is no adverse effects, either immediate or long-term, that would negatively impact the general public.

Beneficial: The Division believes that additions and revisions of this regulation would benefit, both immediately and long term, the regulated private workers' compensation insurance carriers who apply for subsequent injury fund reimbursement by more clearly defining the process and criteria used by the Administrator in determining eligibility for relief. The Division also believes that there is no beneficial effects, either immediate or long-term, that would impact the general public.

The methods used by the agency in determining the impact on a small business: *To determine whether these regulations are likely to have an impact on small businesses, the Division considered the purpose and scope of the proposed and potential regulation changes in conjunction with existing regulations. Based on this review, the Division determined that this regulation will have no effect on small businesses, either adverse or beneficial.*

These proposed regulations affect the manner and method in which private workers' compensation insurance carriers apply for reimbursement from the Subsequent Injury Fund for Private Carriers; establishing certain methods for of proving an employer's knowledge of an employee's preexisting permanent physical impairment; identifying expenditures which may be eligible for reimbursement; and extending the time in which the Administrator will examine and provide a disposition of the application. The effect of these regulations, if any, will be solely to private workers' compensation insurance carriers.

The estimated cost to the Division for enforcement of the proposed regulations: *There is no additional cost to the Division for enforcement of this regulation.*

The Division believes that the proposed regulation does not overlap or duplicate any existing regulations. *The proposed regulations are not required by federal law; and there is no equivalent federal regulation.*

The proposed regulation does not establish a new fee or increase an existing fee.

The Division invites representatives of regulated businesses and the public to attend the public hearing and/or prepare written and/or oral comments concerning the proposed regulations. Interested persons may submit written comments to Donald C. Smith, Esq., Senior Division Counsel, Division of Industrial Relations, 1301 North Green Valley Parkway, Suite 200, Henderson, Nevada 89074. Written submissions must be received by the Division by February 16, 2016. If no person who is directly affected by the proposed regulation appears to make oral comments, the Division will proceed immediately to act upon any written submissions.

Persons with disabilities who require special accommodations or assistance at the public hearing must notify Alma Johnson, at the Division of Industrial Relations, Workers' Compensation Section, 1301 North Green Valley Parkway, Suite 200, Henderson, Nevada 89074, in writing or by calling (702) 486-9019 at least three (3) working days prior to the scheduled hearing date.

A copy of this notice and the proposed regulations are available at the Division's web page (<http://www.dirweb.state.nv.us/WCS/wcs.htm>), the Division's offices (400 West King, Suite 201, Carson City, Nevada; 1301 North Green Valley Parkway, Suite 200, Henderson, Nevada; 4600 Kietzke Lane, Suite F-153, Reno, Nevada) and at the main branch of the public library of each county. Additional copies of the notice and proposed regulations will be available at the main public library, for inspection and copying by members of the public during business hours, in all counties in which an office of the Division is not maintained. This notice and the text of the proposed regulations are also in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulations will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Notice required by NRS 233B.064: Upon adoption of any regulation, the agency (the Division), if requested to do so by an interested person, either before adoption or thirty days thereafter, shall issue a concise statement or the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice has been posted at the Division's offices; the Grant Sawyer Building, 555 East Washington Avenue, Las Vegas, Nevada; Director's Office, Department of Business and Industry, 555 E. Washington Avenue, #4900, Las Vegas, Nevada; the Bradley Building, 2501 West Sahara Avenue, Las Vegas, Nevada; and the Nevada State Library, Archives and Public Records, 100 Stewart Street, Carson City, Nevada. In addition, this notice has been posted on the Division's Web site at: <http://dirweb.state.nv.us/WCS/wcs.htm>.