

Form For Filing **Administrative Regulations**

Agency

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| Effective date <u>12// 2022</u> | | |
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DADOPTED BY AGENCY XEMERGENCY **Classification: D**PROPOSED

Brief description of action An emergency regulation of the Department of Business & Industry, Division of Industrial Relations, under NAC 616C allowing an employee injured on or after July 1, 2017, who incurs a permanent partial disability that does not exceed 30 percent to elect compensation in a lump sum.

| Authority citation other than 233B | NRS <u>616A.400(3)</u> | |
|------------------------------------|------------------------|----------------------------|
| Notice date N/A | | Date of Adoption by Agency |
| Hearing date <u>N/A</u> | | Ν/Α |

STEVE SISOLAK Governor

TERRY REYNOLDS Director **STATE OF NEVADA**



VICTORIA CARREÓN Administrator

PERRY FAIGIN Interim Deputy Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY DIVISION OF INDUSTRIAL RELATIONS

STATEMENT PURSUANT TO NRS 233B.0613(1) TO IMPLEMENT AN EMERGENCY REGULATION

The Department of Business & Industry, Division of Industrial Relations ("Division"), has great importance, as its mission is to uphold the highest standards of health and safety services to all of Nevada's employees and the general public.

One of the statutory duties of the Administrator of the Division of Industrial Relations is to "prescribe by regulation the methods by which an insurer may approve or reject claims, and may determine the amount and nature of benefits payable in connection therewith." NRS 616A.400(3). To that end, the proposed emergency regulation seeks to protect the rights of injured workers so that they have an option to elect a lump sum payment where their permanent partial disability does not exceed 30 percent, to help alleviate any medical and living expenses incurred as a result of the industrial accident. This emergency regulation will continue the Division's mission to uphold the highest standards of health and safety serves to all Nevada's employees and the general public.

> I hereby endorse this Statement prepared by the Administrator of the Department of Business and Industry, Division of Industrial Relations, pursuant to NRS 233B.0613(1).

DATED this $\frac{2^n}{day}$ of <u>December</u>, 2022.

Víctoria Carreón, Administrator Division of Industrial Relations

DECCM 8 (2022. DATED this \mathbf{a} day of

Steve Sisolak, Governor State of Nevada

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EMERGENCY REGULATION OF THE DEPARTMENT OF BUSINESS & INDUSTRY

DIVISION OF INDUSTRIAL RELATIONS FOR THE

AMENDMENT OF NAC CHAPTER 616C

December 5, 2022

EXPLANATION — Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

Filing of an Emergency Administrative Regulation

AUTHORITY: NRS 616C.400(3)

A REGULATION relating to industrial insurance; allowing employees injured on or after July 1, 2017 who incur a permanent partial disability that does not exceed 30 percent to elect receipt of compensation in a lump sum.

Explanation:

Existing law authorizes the Administrator of the Division of Industrial Relations to prescribe by regulation the methods by which an insurer may approve or reject claims, and may determine the amount and nature of benefits payable in connection therewith. NRS 616A.400(3). This emergency regulation is intended to allow employees injured on or about July 1, 2017 who incur a permanent partial disability that does not exceed 30 percent to elect to receive compensation in a lump sum.

Sec. 1. Chapter 616C of NAC is hereby amended by adding thereto a new section to read as follows:

NAC 616C.XXX Eligibility to receive compensation in lump sum for injury incurred on or after July 1, 2017. (NRS 616A.400, 616C.495). An employee injured on or after July 1, 2017, who incurs a permanent partial disability that does not exceed 30 percent may elect to receive compensation in a lump sum.

INFORMATIONAL STATEMENT OF ADOPTED REGULATIONS AS REQUIRED BY NRS 233B.066

The following informational statement as required by NRS 233B.066 is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 618 as follows:

1. EXPLANATION OF THE NEED FOR THE ADOPTED REGULATION

The Department of Business & Industry, Division of Industrial Relations ("Division"), has great importance, as its mission is to uphold the highest standards of health and safety services to all of Nevada's employees and the general public.

One of the statutory duties of the Administrator of the Division of Industrial Relations is to "prescribe by regulation the methods by which an insurer may approve or reject claims, and may determine the amount and nature of benefits payable in connection therewith." NRS 616A.400(3). To that end, the proposed emergency regulation seeks to protect the rights of injured workers so that they have an option to elect a lump sum payment where their permanent partial disability does not exceed 30 percent, to help alleviate any medical and living expenses incurred as a result of the industrial accident. This emergency regulation will continue the Division's mission to uphold the highest standards of health and safety serves to all Nevada's employees and the general public.

Moreover, NRS 616C.495(1)(f) provides and allows, "Any claimant injured on or after July 1, 2017, who incurs a disability that exceeds 30 percent may elect to receive his or her compensation in a lump sum equal to the present value of an award for a disability of up to 30 percent. If the claimant elects to receive compensation pursuant to this paragraph, the insurer shall pay in installments to the claimant that portion of the claimant's disability in excess of 30 percent."

2. THE ESTIMATED ECONOMIC EFFECT OF THE REGULATION ON THE BUSINESS WHICH IT IS TO REGULATE AND ON THE PUBLIC. THESE MUST BE STATED SEPARATELY, AND IN EACH CASE MUST INCLUDE:

A. ADVERSE AND BENEFICIAL EFFECTS

i. Effect on Businesses

The Division does not anticipate a direct effect on small businesses as the result of the adoption of this regulation.

The Division does not anticipate beneficial effects on small businesses as the result of the adoption of this regulation.

ii. Effect on the Public

The Division anticipates no adverse effects, either direct or indirect, on the public as the result of the adoption of this regulation. There will be no direct or indirect cost to the public.

The Division believes that there will be a beneficial effect on the public as the result of the regulation, as it will protect the rights of injured workers so that they have an option to elect a lump sum payment where their permanent partial disability does not exceed 30 percent, to help alleviate any medical and living expenses incurred as a result of the industrial accident.

B. IMMEDIATE AND LONG-TERM EFFECTS

i. Effect on Businesses

The Division does not anticipate any immediate effects, either adverse or beneficial, on regulated and small businesses as a result of this regulation.

The Division does not anticipate any long-term effects, either adverse or beneficial, on regulated businesses as a result of this regulation.

There will be no direct or indirect costs to regulated and small businesses.

ii. Effect on the Public

The Division anticipates immediate beneficial effects on the public as the result of the regulation, as it will protect the rights of injured workers so that they have an option to elect a lump sum payment where their permanent partial disability does not exceed 30 percent, to help alleviate any medical and living expenses incurred as a result of the industrial accident.

The Division does not anticipate any immediate adverse effects on the public as a result of this regulation.

There will be no direct or indirect costs to the public.

3. THE ESTIMATED COST TO THE AGENCY FOR ENFORCEMENT OF THE PROPOSED REGULATION

There will be no additional or special costs incurred by the Division for enforcement of this regulation.

4. DESCRIPTION OF ANY REGULATIONS OF OTHER STATE OR GOVERNMENT AGENCIES WHICH THE PROPOSED REGULATIONS OVERLAPS OR DUPLICATES AND A STATEMENT EXPLAINING WHY THE DUPLICATION OR OVERLAPPING IS NECESSARY. IF THE REGULATION OVERLAPS OR DUPLICATES A FEDERAL REGULATION, THE NAME OF THE REGULATING FEDERAL AGENCY.

The Division is not aware of any similar regulations of other state or government agencies that which the proposed regulations overlap or duplicate.

5. IF THE REGULATION INCLUDES PROVISIONS WHICH ARE MORE STRINGENT THAN A FEDERAL REGULATION WHICH REGULATES THE SAME ACTIVITY, A SUMMARY OF SUCH PROVISIONS. The Division is not aware of any similar federal regulations of the same activity in which the adopted regulations are more stringent.

6. IF THE REGULATION PROVIDES A NEW FEE OR INCREASES AN EXISTING FEE, THE TOTAL AMOUNT THE AGENCY EXPECTS TO COLLECT AND THE MANNER IN WHICH THE MONEY WILL BE USED.

The proposed regulation does not provide for a new fee or increase in an existing fee.

Dated this <u>5th</u> day of <u>December</u>, 2022.

DIVISION OF INDUSTRIAL RELATIONS

By: Vidoria Caren

Victoria Carreón Administrator, Division of Industrial Relations 3360 W. Sahara Ave., Ste. 250 Las Vegas, Nevada 89102