

Members present: Chairman Banner
Mr. Bennett
Mr. Brady
Mr. Fielding
Mr. Jeffrey
Mr. Rhoads
Mr. Webb

Members absent: Mr. Bremner
Mr. Robinson

Guests present: See attached list

Chairman Banner called the meeting to order at 3:02 p.m.

A.B. 489 - Provides for increase in certain industrial insurance benefits.

Claude Evans, AFL-CIO, stated A.B. 489 contains a number of changes to correct inequities. First major change is on page 1, lines 16-17 which changes permanent partial disability compensation from 0.5 to 1 percent of the claimant's average monthly wage. He said they would have no problem if that were changed to 66-2/3 of 1 percent. The reason for that is to bring it into conformity with the permanent total, temporary total and death benefits. Right now 50% impairment is not 50% of a 100. It is very confusing, he said.

On page 1, lines 21 and 22, they feel the compensation should not have to terminate on the claimant's 65th birthday, but should continue for the life of the claimant. On page 3, lines 17-18, pertaining to burial, he feels the added expense shouldered by the survivors of a fatally injured worker approximates two months' pension. It should be rectified in this session of the Legislature. On page 5, lines 1 and 2, on expenses of dependent before expiration of award, the burial expenses is for \$2,500. It is not automatically the same amount, but should take care of the bill only up to \$2,500. On lines 7, 8, 9 and 10 shows 30 percent, but in actuality is only 10 percent raise since the Legislature increased it to 10% in 1973 and 10% in 1975. But no increase in 1977. The increase, therefore, is only 10% for this session.

Mr. Evans distributed to Committee members a folder containing copies of letters from claimants requesting an increase in pensions. Average pensions quoted in the letters are from \$201 to \$261 a month. Mr. Evans asked that Committee members review these letters which express the pensioners' needs and feelings. He also mentioned a published announcement by the NIC declaring a \$20,000,000 dividend rebate to employers.

Chairman Banner expressed his disappointment over the fact that hundreds of letters were addressed to him regarding these pensions. Mr. Evans admitted he solicited such letters, saying they were directed to address them to both Mr. Banner and Senator Wilson. He said he felt this is a much needed legislation, and urged the Committee to give it their strong consideration.

Assemblyman Brady asked if the unions do not have a set amount of burial benefits. Mr. Evans answered they do have it. It varies from \$500 to \$1,500. But there are many people who do not belong to unions. In fact, there are more workers in Nevada that do not belong to unions, than those who do. He said these people receive \$250 burial benefits from Social Security, plus the \$1,200 from NIC.

Assemblyman Webb asked Mr. Evans if the unions could help these people with their slush funds. He said it seemed like the unions have all kinds of money to be invested in other ways. Mr. Evans replied he didn't know anything about investments. He said many of the unions, rather than having a type of official plan, have assessment duties. They assess members so much money on a death benefit like this. Many of their pension plans are funded by unions themselves. He said he didn't know about investments, that his union does not have monies to invest.

David Gamble, Nevada Trial Lawyers Association, stated they are very much in favor of A.B. 489. There is no rational basis to differentiate between the benefits people receive on temporary total disability versus permanent partial disability. The way it is calculated, it should not result in the benefit being lower than those with partial disability. He said all this bill attempts to do is to bring the benefits up, not to where people can still sue, but to something more approaching reality.

Assemblyman Brady asked Mr. Gamble if attorneys pay NIC. He replied, yes, that they do.

Assemblyman Webb, referring to Mr. Gamble's statement about employees no longer having the right to sue, asked what was his interest in this; and if he charged fees, what was the percentage. Mr. Gamble replied that to his knowledge there are only 7 private attorneys that take NIC cases on behalf of claimants. He said they charge fees where people can pay fees; in other cases they charge a portion of what they are able to get, such as in cases where there is a lump sum payment. The highest he has ever charged is 33-1/3 percent of the gross dollar maximum. He added there have been cases where no fees were charged.

Assemblyman Rhoads asked whether anyone had an idea of what it is going to cost. Mr. Banner asked Mr. Karvel Rose, NIC, to answer that question.

Karvel Rose, NIC, stated the fiscal note is on its way to Ed Schorr. Figures estimated on cost of increase in burial expenses is estimated at \$145,000 for Fiscal Year 1980. Cost increase for supplemental benefits from 20 to 30% for total permanent pensioners with an accident death prior to April 1971, and survivor benefits prior to July 1, 1973, amounts to \$1,121,405. This amount represents the present value of the life time supplemental benefits, assuming an average annual rate of 4-1/2 percent on the invested balance of the benefits. Funding of this benefit is by appropriations of the silicosis and disabled pension fund.

Section 1, paragraph 9 represents another 25% increase of partial disability. If the suggested modification by Mr. Evans is effected from 1 percent to 66-2/3, these figures will change.

The retroactive provision of this bill will cost \$79,980,000. He said if BDR-53-877 were enacted it would invalidate this fiscal note.

Dick Lance, Gibbens Co., distributed copies of a comparative permanent partial disability study he made of six western states. He stated that based on these figures an increase in making computations for award is not warranted. Answering Mr. Jeffrey's question if these figures represented lump sum payments, he said most of them were computed on lump sum payments. (A copy of the figures is attached to these minutes as Exhibit "A".)

After some discussion, Mr. Rose pointed out that he did not give a position statement, but that he just quoted the fiscal notes.

N. C. Anthonisen, Summa Corp., stated their strong objection to the bill, and discussed the different percentages and figures presented by Mr. Rose and Mr. Evans. He reminded the Committee of the increased cost to employers by the increase in wages. He also mentioned the provision on page 5, line 11, indicating that the fund should be taken out of the silicosis and disabled fund in the state treasury. This bill removes the phraseology "in the state treasury." This would have a net effect of requiring these monies to be paid out of the NIC fund. Employee costs go up because of increased doctor's costs and increased hospital costs, he added.

Chairman Banner explained that the money is coming out of the general appropriation fund, disbursed by the state treasury. The silicosis and disabled pension fund is another part of the statute.

Mr. Anthonisen asked for clarification of Item 9 on page 3, lines 4, 5 and 6 regarding retroactive benefits on accidents incurred before July 1, 1973. He pointed out this was in conflict with Item (e) on page 2, lines 24, 25 and 26. It was explained to him that this was the old law and was missed by the bill drafter. One other point he stressed was the fact that being a no fault insurance program, nobody looks to where the fault lies. There are records that 80% of the accidents that happen to employees are employee-caused.

Chuck King, Central Telephone Co., echoed most of the testimony given earlier opposing the bill. They oppose any bill that is this inflationary, he said. They feel coverage should not terminate at age 65 but should be at age 70. They have no problem with the burial benefits being increased.

Carol Velardo, president of the State Retail Association, is concerned with the amount of money involved. She said that in the retail industry it will hurt a lot if given 5 or 10 percent increase. She urged the Committee to take into consideration the increase before they pass the bill.

A.B. 491 - Requires reemployment of certain employees whose employment is interrupted by industrial accident or occupational disease.

Claude Evans, AFL-CIO, explained this bill is not a union bill, and affects mostly non-union people. All this bill does is re-offer an employee the same job when he is released by a treating physician from injury. Most of the unions will not have a problem because they have contracts. There are many places where they do not have contracts. If they suffer industrial injury or occupational disease, and the doctor says he can go back to work, he has no job to go back to.

Carol Velardo said they have a problem on this bill because they only have a few employees. When an employee is injured he must be replaced. When he returns to work they would have to let go the person that replaced him. This person would then go on unemployment. She said they get locked into unemployment benefits.

John Taylor, MGM-Las Vegas, referring to Mr. Evans' statement, said this is not the proper avenue to accomplish it. Employers do have the incentive to return an injured person to his job. The longer the employee stays off the job, the greater will be the total disability payments charged to the employer. They make efforts to return employees to work as quickly as possible and also attempt to make light duty jobs available to these workers. A.B. 491 is not a good bill, as drafted, he said.

Bob Warren, Nevada Mining Association, said he was advised by their people that it is their feeling that if an employee is mandated to return to his job, is not always satisfactory. They feel that the accident or injury may sometimes cause an employee to be emotionally impaired by the accident to the point where he is no longer a safe employee. He may not have the emotional stability because of the trauma of the accident, especially where the lives of other people depended upon his absolute control on the job.

Chuck King, Central Telephone Co., stated this bill would create more government intervention in the affairs of business. Central Telephone allows an employee free medical treatment for accidents before they even take a termination action. They also encourage employees to return to light duty work where that is possible. They feel some injured employees should be rehabilitated into other occupations, rather than placing them in jobs that may be hazardous to them.

Richard Lance, Gibbens Co., stated it is their practice to encourage at all times to bring people back to work as soon as possible. He said this is a bad bill because it forces employers to bring back employees that may not be able to handle the same type of job as they had before the accident.

N. C. Anthonisen, Summa Corp., said regarding their probationary employees, such as those on the job only one or two days, then suddenly replaces one who has been there for six months. According to this bill, he said, they could come back to replace the other person. They feel it is unfair, from that standpoint. He said they agree with others who testified against the bill.

A.B. 490 - Expands duties of state industrial attorney.

Patty Becker, State industrial attorney, said the way it is written in A.B. 490, it will have to be amended because it does not make sense. The Commission should have no control over her office because she represents the claimant that is complaining about the NIC.

John Taylor, MGM, said they believe this is not a good bill because of the increase in attorneys that will cause tremendous problems. He brought up a previous statement about an employee giving up his right to sue. He maintains the employee did not give up anything because an employee is usually injured because of his own negligence.

There being no further discussion Chairman Banner concluded the hearings. He asked the Committee to take action on the following:

Mr. Jeffrey asked action be held up on A.B. 489 because he felt there were a lot of good things in the bill for the general operation of NIC. Chairman Banner and the Committee agreed with Mr. Jeffrey.

Committee Action

Introduction of some Jack Kenny bills submitted to Mr. Banner. Motion by Mr. Bennett, seconded by Mr. Rhoads, and passed.

A.B. 27: Mr. Bennett moved Do Pass As Amended, seconded by Mr. Webb. Motion carried unanimously, with Mr. Robinson and Mr. Bremner absent.

A.B. 490: Mr. Rhoads moved to Indefinitely Postpone, seconded by Mr. Brady. Motion carried, with Mr. Jeffrey voting "No." Mr. Bremner and Mr. Robinson absent.

A.B. 491: Mr. Rhoads moved to Indefinitely Postpone, seconded by Mr. Webb. Motion carried unanimously. Mr. Bremner and Mr. Robinson absent.

There being no further business, Mr. Webb moved to adjourn, seconded by Mr. Brady. Meeting adjourned at 4:30 p.m.

Respectfully submitted,

Sylvia Mays
Sylvia Mays, Assembly Attache

60th NEVADA LEGISLATURE

ASSEMBLY LABOR & MANAGEMENT COMMITTEE

LEGISLATIVE ACTION

Date: March 12, 1979

SUBJECT AB 77 A.B. 27 - Establishes board to review functions of Nevada industrial commission.

MOTION:

Do Pass ^{as} Amended Indefinitely Postpone _____ Reconsider _____

Moved By Bennett Seconded By Webb

AMENDMENT:

Moved By _____ Seconded By _____

AMENDMENT:

Moved BY _____ Seconded By _____

VOTE:	MOTION		AMEND		AMEND	
	Yes	No	Yes	No	Yes	No
BANNER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BENNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BRADY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BREMNER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FIELDING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JEFFREY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ROBINSON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RHOADS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
WEBB	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TALLY:						

ORIGINAL MOTION: Passed Defeated _____ Withdrawn _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes March 12, 1979

60th NEVADA LEGISLATURE

ASSEMBLY LABOR & MANAGEMENT COMMITTEE

LEGISLATIVE ACTION

DATE March 12, 1979

SUBJECT 490 A.B. 490 - Expands duties of state industrial attorney

MOTION:

Do Pass Amend Indefinitely Postpone ✓ Reconsider

Moved By Rhoads Seconded By Brady

AMENDMENT:

Moved By _____ Seconded By _____

AMENDMENT:

Moved BY _____ Seconded By _____

VOTE:	MOTION		AMEND		AMEND	
	Yes	No	Yes	No	Yes	No
BANNER	✓					
BENNETT	✓					
BRADY	✓					
BREMNER						
FIELDING	✓					
JEFFREY		✓				
ROBINSON						
RHOADS	✓					
WEBB	✓					
TALLY:						

ORIGINAL MOTION: Passed ✓ Defeated Withdrawn

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes March 12, 1979

60th NEVADA LEGISLATURE

ASSEMBLY LABOR & MANAGEMENT COMMITTEE

LEGISLATIVE ACTION

Date March 12, 1979

SUBJECT H91 A.B. 491 - Requires reemployment of certain employees
whose employment is interrupted by industrial
accident or occupational disease.

MOTION:

Do Pass _____ Amend _____ Indefinitely Postpone ✓ Reconsider _____

Moved By Rhoads Seconded By Webb

AMENDMENT:

Moved By _____ Seconded By _____

AMENDMENT:

Moved BY _____ Seconded By _____

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
BANNER	<u>✓</u>	_____	_____	_____	_____	_____
BENNETT	<u>✓</u>	_____	_____	_____	_____	_____
BRADY	<u>✓</u>	_____	_____	_____	_____	_____
BREMNER	_____	_____	_____	_____	_____	_____
FIELDING	<u>✓</u>	_____	_____	_____	_____	_____
JEFFREY	<u>✓</u>	_____	_____	_____	_____	_____
ROBINSON	_____	_____	_____	_____	_____	_____
RHOADS	<u>✓</u>	_____	_____	_____	_____	_____
WEBB	<u>✓</u>	_____	_____	_____	_____	_____
TALLY:	_____	_____	_____	_____	_____	_____

ORIGINAL MOTION: Passed ✓ Defeated _____ Withdrawn _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes March 12, 1979

LABOR & MANAGEMENT COMMITTEEGUEST LIST

<u>NAME</u> (Please print)	<u>REPRESENTING</u>	<u>IF YOU WISH TO SPEAK</u>	
		Pro	Con
CLAUDE EVANS	AFL-CIO	X	
John Marshall	AFL-CIO		
DON GURD	AFL-CIO		
Barbara Bailey	Nev. Trial Lawyers		
Allen C. Taylor	Basic Management Inc		
^{CHUCK} Chuck KING	CENTRAL TELEPHONE		X
Wm. Adams	HILTON HOTEL		
J D TAYLOR	MGM		X
W. H.		X
James P. ...	NIC		
DAVID R GAMBLE	NTLA	X 489	
BR BYERS	SPECTATOR		
A. C. ANTONISEN	SUMMA		X
Ray ...	Summa		
Kex A. White	CAESAR'S PALACE		X
Patty Becker	State Ind. Atty.		
W. ...	Nevada Farm Assoc.		
Martha Warren	SAPCO		

Comparative Permanent partial disability study

Index Finger

Nevada 21,621.60
Second in Nation 14%

Loss of Hearing, both ears

14% Disability 35% 54,054.00

Arizona 4,121
California 1,680
Washington 4,050
Oregon 2,040
Idaho 4,026
Utah 5,124

Arizona 27,474
California 21,770
Washington 14,400
Oregon 16,320
Idaho 15,098
Utah 12,200

Loss of Foot 28% 43,243.20
5th in nation

Loss of Hand 22% 33,976
15th in nation

Arizona 18,281
California 16,870
Washington 6,300
Oregon 11,475
Idaho 12,581
Utah 10,736

Arizona 22,990
California 21,770
Washington 16,200
Oregon 12,750
Idaho 20,130
Utah 20,496

Great Toe 8% 12,355.20
4th high in country

Note

Arizona 3,170
California 2,117
Washington 3,780
Oregon 1,530
Idaho 3,020
Utah 3,172

	at 20		at 65	lowest
Index	32,432 1st		3,600 13th	"
Foot	64,865 3rd		7,200 2nd	"
G Toe	18,533 2nd		2,059 7th	"
Eye	55,598 5th		6,177 2nd	"
Hearing	61,081 2nd		9,005 3rd	"
Hand	50,965 5th		5,663 lowest	

Loss of Eye 24% 37,065.60
7th in country

Arizona 13,737
California 8,452
Washington 7,200
Oregon 8,500
Idaho 14,091
Utah 14,040

Based upon information supplied by analysis of Worker's Compensation Laws.

Prepared & published annually by the Chamber of Commerce of the United States.

Note. the above study is based on an individual who is 35 yrs. and earning \$858.00 a month (Av. Mon. Wage)

Note. Nevada is the only state that does not schedule it's loses on dismemberment, amputation and total loss- the above figures were converted from the AMA guides.

EXHIBIT A

PENSION NO.	BILLING	BURIAL	TRANSFERRING
3621	\$2,362.74	\$1,200.00	\$ 353.84
3625	\$2,545.23	\$1,200.00	\$ -0-
3626	\$1,972.10	\$1,200.00	\$ 240.00
3632	\$2,168.83	\$1,200.00	\$ -0-
3634	\$ 660.75	\$ 660.75	
3635	\$2,545.23	\$1,200.00	
3636	\$1,274.47	\$1,200.00	\$ 74.47
3641	\$2,403.10	\$1,200.00	\$ 266.60
3643	\$3,403.83	\$1,200.00	
3645	\$2,400.86	\$1,200.00	\$ 115.00
3646	\$2,017.06	\$1,200.00	\$ 25.00
3652	\$2,267.50	\$1,200.00	\$ 240.00
3658	\$2,557.38	\$1,200.00	\$ 150.00
3659	\$3,025.98	\$1,200.00	\$ 70.00
3660	\$1,852.19	\$1,200.00	\$ 256.75
3667	\$1,833.31	\$1,200.00	\$ 91.16
3668	\$2,025.90	\$1,200.00	-0-
3672	\$ 860.30	\$ 860.30	-0-
3673	\$1,854.94	\$1,200.00	-0-
3678	\$1,400.97	\$1,200.00	-0-
3683	\$2,265.63	\$1,200.00	\$ 135.00

PENSION NO.	BILLING	BURIAL	TRANSFERRING
3685	\$2,477.58	\$1,200.00	\$ 278.58
3686	\$3,000.00	\$1,200.00	-0-
3688	\$2,745.19	\$1,200.00	\$ 397.74
3690	\$ 513.50	\$ 513.50	-0-
3691	\$2,220.45	\$1,200.00	-0-
3693	\$2,303.12	\$1,200.00	\$ 261.75
3695	\$2,673.55	\$1,200.00	
3696	\$1,524.65	\$1,200.00	\$ 125.00
3699	\$ 625.36		
3700			
3701			
3703			
3704			

1979 REGULAR SESSION (60TH)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to <u>Assembly</u>	
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Bill No. <u>27</u>	Joint Resolution No.
Date: _____	Date: _____	BDR <u>S-515</u>	
Initial: _____	Initial: _____	Proposed by <u>Committee on Labor</u>	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>		
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: _____	Date: _____		
Initial: _____	Initial: _____		
			<u>and Management</u>

Amendment N^o 246

Conflicts with Amendment No. 88.

Amend the bill as a whole by deleting sections 1 through 4 and by inserting:

"Section 1. Chapter 616 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 4, inclusive, of this act.

Sec. 2. 1. A board of review for the Nevada industrial commission, consisting of seven members, is hereby created.

2. The governor shall appoint:

- (a) One member who is a representative of organized labor.
- (b) One member who is a representative of public employees.
- (c) One member who is a representative of small business as that term is defined by the Small Business Administration.
- (d) One member who is a representative of large business.
- (e) One member who is a certified public accountant.

flow These members serve at the pleasure of the governor, but he shall not remove more than three members during any period

To: E & E
LCB File
Journal
Engrossment
Bill

Date March 6, 1979 Drafted by DGS:iw

Amendment No. 246 to Assembly Bill No. 27 (BDR S-515) Page 2

of 12 months, except for malfeasance, misfeasance or nonfeasance in office.

3. The legislative commission shall appoint:

(a) One member who is a senator.

(b) One member who is an assemblyman.

4. The board shall elect a chairman and a secretary from among its members. Any vacancy on the board must be filled by the original appointing authority with a person who possesses the same qualifications.

Sec. 3. 1. The board shall meet once a month at a place and time designated by the chairman.

2. Each member of the board is entitled to be paid \$150 for each day of actual attendance at a meeting of the board, but not for more than 30 days in any period of 12 months, in addition to the subsistence allowances and travel expenses provided by law, all of which must be paid from the state insurance fund.

3. The attorney general shall appoint an attorney from his staff to be legal adviser for the board and to represent the board in any legal proceeding to which it is a party.

4. The board may contract for the services of an actuary in the field of industrial insurance and an investment counselor.

5. All necessary expenses incurred by the board must be paid from the state insurance fund.

Amendment No. 246 to Assembly Bill No. 27 (BDR S-515) Page 3

Sec. 4. 1. The board shall receive and review:

(a) Any complaint made by a claimant or his representative that specified procedures, practices or policies of the Nevada industrial commission are unfair.

(b) The policies governing the investment of money in the funds administered by the Nevada industrial commission.

(c) The policies governing the setting of rates and the setting of reserves.

(d) Any complaint made by a physician or his representative concerning the setting of schedules of fees.

(e) The manner in which the Nevada industrial commission administers the functions assigned to it.

2. The board shall issue orders for the correction of procedures, practices or policies which it finds to be improper. These orders are binding on the Nevada industrial commission."