

The meeting was called to order at 1:00 p.m. in Room 213.  
Senator Thomas R. C. Wilson was in the chair.

PRESENT: Senator Thomas R. C. Wilson, Chairman  
Senator Richard E. Blakemore, Vice Chairman  
Senator Don Ashworth  
Senator Clifford E. McCorkle  
Senator Melvin D. Close  
Senator C. Clifton Young

ABSENT: Senator William H. Hernstadt

OTHERS

PRESENT: Ms. Lordale Sebbas, Nevada Cosmetic School Association  
Mr. Merlin Anderson, Commission on Postsecondary Institutional Authorization  
Mr. David Ericson, President, School Board of Cosmetology  
Dr. A. U. Ricciardi, D.D.S. and Orthodontist  
Mr. Robert Schouweiler, Attorney  
Mr. Charles P. McCuskey, Nevada State Board of Dental Examiners  
Mr. Blane Dunn, President, Nevada Dental Association  
Dr. Jim McGuire, M.D.  
Dr. Wayne Zeiger, D.D.S.  
Dr. Paul Anderson, D.D.S.  
Dr. James Jones, D.D.A.  
Mr. Joe Mannis, Department of Energy  
Mr. Peter Wooley, Service Stations Association, Northern Nevada  
Mr. Daryl Cappuro, Nevada Franchised Auto Dealers  
Mr. Noel Clark, Director, Environmental Protection  
Mr. Bill Champion, Personnel Director, M.G.M., Las Vegas, Nevada  
Mr. Bob Warren, Nevada Mining Association  
Mr. Bob Forrest, Phillips Petroleum  
Mr. John Sande, Major Oil Companies  
Mr. Doug Webb  
Senator Jean Ford, District No. 3  
Mr. Don Heath, Commissioner, Insurance Division  
Mr. James Wadhams, Director, Department of Commerce  
Mr. John J. Campbell, Vice President-Finance, MGM, Las Vegas, Nevada  
Mr. John Reiser, Chairman, Nevada Industrial Commission  
Ms. Patty Becker, Nevada Industrial Attorney  
Mr. John Tayler, MGM  
Senator Keith Ashworth, District No. 3  
Mr. Virgil Anderson, American Automobile Association  
Mr. Jim McGuire, Oral Surgeon  
Mr. E. D. Blackburn, Representing TIMET  
Assemblyman Paul May, District No. 19

SB 493 Amends qualifications of members of the state board of cosmetology and authorizes employment of certain staff by the board.

Ms. Lordale Sebbas, representing the Nevada Cosmetology School Association, testified in support of SB 493. She explained the bill is a result of the National Association to reconstruct the Board of Cosmetology to represent all segments of cosmetology and the consumers. Ms. Sebbas stated that the Board of Cosmetology should have consumer representatives. She stated that the examination for licensure is too difficult because it is devised by people who are too remote from the basic training program schools required to teach. She continued that the California complete cosmetology examination is structured so that two examiners are needed to test as many as thirty examinees in one day; however, in Nevada all five board members use one and one-half days to do the examining for fewer examinees. Ms. Sebbas presented a telegram from the Executive Secretary of the California State Board of Cosmetology for the record (see Exhibit "A").

Ms. Sebbas answered Senator Young that cosmetology includes manicuring, hairdressing and electrology. She explained that under the existing statute there is no provision for a person representing one of these areas to sit on the board; this legislation would provide for that.

Mr. Merlin Anderson, representing the Commission on Postsecondary Institutional Authorization, testified that the Commission has two school owners and two consumers on the board of seven, and as a group, they do an excellent job.

Mr. David Ericson, President, State Board of Cosmetology, and member of many committees, testified in opposition to SB 493. He explained that the present statute does not require that a board member be a salon owner, but just a cosmetologist. Mr. Ericson continued, that there have been many violations by school owners. He added that there is no realistic comparison with California because the volume is so much greater. He stated that he has no objection to a consumer being on the board. Mr. Ericson explained to Chairman Wilson that the board has not much to do with licensure, the executive secretary does most of that, the board spends about one and one-half days, about fifty percent of its time, every six weeks on examinations. He stated that there are eight cosmetological schools in Nevada.

Mr. Robert Schouweiler, representing the State Board of Cosmetology, answered Senator Young that NRS 644.040 prohibits a college owner from membership on the board for the reason that there would be a conflict of interest. He stated this bill would increase the cost of administering the board. He concluded that he is opposed to SB 493.

SB 493 Continued

Senator Close observed that, with a board consisting of five, if one were a consumer, without knowledge for examining, and another were a school representative, who could not participate because of a possible conflict of interest, the board would be reduced to three.

Chairman Wilson Closed the public hearing on SB 493.

SB 501 Permits certain dental specialists to practice specialty without having to take general examination in dentistry.

Senator Mike Sloan introduced SB 501, explaining it is the result of a constituent's request. He stated that Nevada has a lower than national average ratio of dentists and specialists; one reason being that some oral surgeons from out of state could not, or would not, want to pass the Nevada examination. He continued, that the Council of State Governments, in coordination with the American Dental Association has proposed a uniform denture practice act which provides for licensure by credentials for out of state dentists; licenses would be granted to dentists from other jurisdictions upon evidence being produced that the licensure requirements of that jurisdiction or of the national boards, which are substantially similar or higher than the state's own requirements.

Mr. Charles P. McCuskey, D.D.S., Secretary of the Nevada State Board of Dental Examiners, testified in opposition to SB 501, explaining there are groups in the federal government who are trying to eliminate licensing by all state governments, and allowing those with dental degrees to locate anywhere in the nation; the Dental Board feels that the State of Nevada can better provide for the people. He continued that specialists are not always the high caliber dentist required in Nevada. He stated those who are well-qualified have no difficulty with Nevada's examinations. Dr. McCuskey presented a prepared statement from the Nevada State Board of Dental Examiners (see Exhibit "B").

Senator Close stated, several years ago Nevada took out the requirement that a physician pass a general basic medical examination if they passed it in another state, and allow them to be tested in their specialty.

Dr. McCuskey explained that physicians from out of state are on one year probations under the supervision of staff members before they are allowed to practice privately. He explained further, that a specialist does not have to be board certified in Nevada, only board qualified.

Dr. Blane Dunn, D.D.S., President, Nevada Dental Association referred to the eighteen to twenty dentists in the room representing all specialties practiced in Nevada, suggesting that any of them would answer questions. He stated that the Association is opposed to SB 501. He clarified that this legislation would create problems in that it would allow specialists to practice without having satisfied the high standards of general dentistry in Nevada, and added

SB 501 continued

that no other state has such a provision. He answered Senator Blakemore that there are sufficient dentists in populated areas.

Senator Ashworth asked if a specialist practices for fifteen years will he have trouble passing the general examination?

Dr. Dunn answered that this has happened in Nevada, and sometimes postgraduate work is required. but the board feels the general dentistry background is essential.

Mr. Jim McGuire, Oral Surgeon, Reno, Nevada, testified in opposition to SB 501, concurring with previous testimony. He explained to Senator Ashworth that there have been two specialists in Northern Nevada who have discontinued their specialty and gone back to general practice.

Dr. McGurie explained to Senator Blakemore that the national average ratio for oral surgeons in one in fifty thousand, in Nevada the ratio is about one in seventy five thousand. He added, general dentists are tested by a board that is governor appointed and under regulatory law in the state; only after this, does the dentist go to the specialty training programs which can take from two to four years, and may, or may not require medical degress; they then take the national certifying board examinations.

Mr. Wayne Zeiger, D.D.S., and Orthodontist, testified in opposition to SB 501 concurring with previous testimony. He warned that if this legislation were to pass, Nevada might attract undesirable people from other states.

Dr. A. U. Ricciardi, D.D.S., Orthodontist, testified in opposition to SB 501 and concurred with previous testimony.

Dr. Paul Anderson, D.D.S., testified in opposition to SB 501, concurring with previous testimony.

Dr. James Jones, D.D.S., member, State Board of Dental Examiners concurred with previous testimony.

Chairman Wilson called a recess at 2:15 p.m.

The meeting resumed at 2:30 p.m. with Chairman Wilson in the Chair.

SB 504 Requires service stations to provide public receptacle for waste motor oil.

Mr. Joe Mannis, Department of Energy, explained SB 504, pointing out "service stations" is a misnomer. He stated that there are 584,146 vehicles in Nevada; in 1976 they produced 3,761,182 gallons of used motor oil of which fifty five percent is changed by the week-end mechanic, the remainder goes through service stations and is recycled. He stated there are companies purchasing used oil at six cents per gallon for one hundred gallons or above, 3-1/2 cents per

SB 504 continued

gallon for one hundred gallons and below, the average tank is about two hundred to three hundred gallons and, a lot of service stations are storing and selling this used oil.

Discussion with Senator Blakemore suggested that the bill be reversed with the service station operator charging for the dumping of the oil in his receptacle. Mr. Mannis stated that he does not believe that would be a very satisfactory arrangement.

Mr. Peter Wooley, Service Stations Association, Northern Nevada, stated this is not new legislation, it has been proposed before that those who sell oil receive it. He stated GEMCO gave directions on how to change oil, provided cans for the old oil, and recommended taking the old oil to the local service station. He explained that statistics show discount houses sell thirty two percent of oil sold and service stations sell twenty two percent, and this would result in the service stations subsidizing the discount houses. He stated the idea of conserving and recycling oil is a good one, but this legislation is not the answer.

Mr. Daryl Cappuro, Managing Director, Nevada Motor Transport Association, testified in opposition to SB 504. He concurred in Mr. Wooley's feelings regarding conservation and this legislation would not solve the problems.

Chairman Wilson closed the public hearing on SB 504

SB 505 Adds requirement of consideration of geothermal resources to Utility Environmental Protection Act.

Mr. Noel Clark, Director, Department of Environmental Protection, said SB 505 language deviates from original intent of the legislation. He proposed new language that would amend NRS 704.870 as follows: Section 1, subparagraph (d) "Of the application is for the construction of an electrical generating facility, an analysis of the potential for using geothermal energy sources for the generation of electricity".

Senator Young questioned if this proposal would be cost effective.

Mr. Clark replied that the intent is to get the attention of the utilities and others who develop geothermal.

Mr. Bob Warren, representing the Nevada Mining Association, concurred with Mr. Clark's proposed amendment.

Mr. Bob Forrest, representing Phillips Petroleum, concurred with the proposed amendment.

Mr. John Sande, Attorney representing major oil companies, concurred with the proposed amendment.

AB 732 Removes requirement of acturial experience for chairman of Nevada Industrial Commission.

Assemblyman Paul May, District No. 19, explained the reason for legislation is to make requirements for the chairman of the Nevada Industrial Commission (NIC) more appropriate.

Mr. Jim Wadhams, Director, Department of Commerce, answered Chairman Wilson's question by stating that when looking for a chief executive, he would look for someone with substantial management experience.

Chairman Wilson closed the public hearing on AB 732.

SB 95 Permits agent of prescriber to transmit prescription by oral order.

For previous testimony and discussion see minutes of February 5, February 14, February 26 and March 12th.

The second reprint of SB 95, which is an assembly amendment, was discussed.

Senator Jean Ford explained there had been confusion in the Assembly regarding amendments. It was decided to adopt the proposed amendment from the Assembly (see Exhibit "C").

AB 84 Permits self-insurance of workmen's compensation risks; modifies administrative procedures.

Mr. Don Heath, Commissioner, Insurance Division, explained representatives from Labor, Management, NIC, and others met and agreed on additional proposed amendments to AB 84 (see Exhibit "D").

Chairman Wilson stated he consulted with Mr. Howard Barrett, Director of the Department of Administration, who suggested the hearings and appeals be placed under the Commissioner of Labor, and the self-insured and NIC be billed for services.

It was decided the Labor division would not be appropriate housing for hearings and appeals agency; however no one objected to the billing suggestion.

Chairman Wilson explained the new hearings procedure, (see minutes of April 4, 1979). He added the second level of hearings would not be informal, but would have findings of fact and a decision that would be transcribed.

In answer to Senator Blakemore's question, Mr. John Taylor, representing MGM, replied the governor should appoint the appeal officer and the Director of the administrative agency should hire the hearings officer.

Mr. Heath suggested the bill be conformed throughout when referring to the "commission" and add "self-insured employer."

Date: April 27, 1979

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AB 84 continued

Mr. E. C. Blackburn, representing TIMET, stated the employers should be answerable to the governor.

Ms. Patty Becker, Nevada Industrial Attorney, stated she would like to see subsection 2 of section 26 deleted; or at least amended to include the consultation with "attending physician".

Discussion followed regarding the decision of rehabilitation, of who it should rest with, and that the employer would fund it. Representatives felt there could be a situation where a claimant would not want to be rehabilitated and could get around it through the attending physician. Mr. Reiser felt the expert, to determine a change of vocation, should be the team, plus the the employer and the injured worker.

Mr. Bill Champion, Personnel Director, MGM, Las Vegas, Nevada, stated the employer is always anxious to get the injured worker back to work, but wants him to be trained to do something useful; to have the doctor the sole determiner would not be satisfactory.

Senator Close suggested new language to read as follows: "The consultation be between the employer, the injured worker and a physician; the physician would not have veto power, but welcomes his input into the overall rehabilitation picture".

Mr. Champion suggested that the choice of a new vocation would be limited in that it would be a viable one and would offer prospects of immediate employment following the rehabilitation training with the physician having the authority to determine whether the worker was capable.

Mr. Reiser concurred with Mr. Champion, but felt that the doctor should only be consulted, and not have vetoing power.

It was decided to delete brackets on Page 8, line 5, delete "ordered" and add the language in the proposed amendment. It also was decided to amend the new language on Page 8, line 10 to read: "The state industrial attorney shall establish an office in Carson City, Nevada, and an office in Las Vegas, Nevada"; Page 8, line 17 to delete "appropriation" and insert "authorization".

Mr. Reiser explained to Senator Close that the only time a claimant worker does not choose his physician is when the NIC medical advisors decide his line of treatment is inappropriate.

No objection was voiced to the new language proposed to amend Section 31.

It was agreed to amend Section 36 as proposed by Exhibit D. Paragraph (9) of the proposed amendment was agreed upon.

AB 84 continued

Rather than using language proposed in paragraph (10) of the amendment, the following was decided upon: "The commission, or the self-insured employer must either accept, or deny responsibility for compensation under this chapter or chapter 617 of NRS within 30 days after the notice provided for in this section is received. If additional information is necessary, to determine liability, the commission, or self-insured employer may extend the period to 60 days upon notice to the claimant, if the commissioner of insurance approves. If additional information is still necessary, the commission, or self-insured employer may grant a further extension if the commissioner of insurance approves, and the claimant gives his written consent, but the total period may not be extended to more than 90 days.

It was the decision to delete Lines 6 through 12 of Page 16. Section 47 was discussed. It was decided not to delete it, as had been proposed.

Mr. Joe Midmore, who had represented independent insurance companies during the interim study, verified Patty Becker's claim that claimants had requested total settlements in lump sums without a demonstration of need. He stated that the interim committee did not feel this was feasible, hence the language on Line 29, Page 19 which states that a claimant may "elect to receive up to 25 percent of his compensation in a lump sum without a demonstration of need".

Mr. Reiser agreed to supply the committee with statistics regarding people who can not be rehabilitated qualifying for lump sums of compensation.

Regarding Page 20, line 40, it was agreed to raise "\$1,200" to "\$2,500". Paragraphs (12), (13), (14), (15) proposed amendments be adopted. It was decided to not delete the brackets on Line 21, Page 24. It was also decided not to delete Section 60, Paragraph 1, but to delete Paragraph 2 of that section.

Senator Keith Ashworth explained the reason for Section 60 is the interim committee wanted a complete audit of the NIC to see where it stands currently.

Mr. Reiser presented, for the record, a letter from Mr. John R. Crossley, Certified Public Accountant, Legislative Counsel Bureau, along with a fiscal note (see Exhibits "E" and "F"). He also explained that he met with Mr. Claude Evans, Executive Secretary AFL-CIO, and his concern with this legislation is that it not change benefits for workers.

Further discussion, testimony and action on AB 84 was delayed.



SB 313 Repeals Nevada Motor Vehicle Insurance Act and provides for option basic reparation benefits.

Mr. James Wadhams, Director, Commerce Department presented a letter expressing reasons for the repeal of no-fault insurance (see Exhibit "G").

Chairman Wilson explained the reason for this discussion was to decide whether or not to repeal no-fault, follow the "Oregon Plan", or make it optional.

Mr. Virgil Anderson, representing American Automobile Association (AAA), stated that his company would rather increase the threshold or repeal no-fault than to fo-low the "Oregon Plan" which requires no-fault and liability and casualty.

Mr. Wadhams explained there had been a proposed amendment to set an outside limit on the "Oregon Plan" of \$10,000 because the bill, as drafted, had a cumulative effect of the internal limits that would have placed a total of \$36,000 on the payout of the first party benefits. He said this result in making the no-fault benefit optional and eliminating the restriction on tort liability. He explained the bill would make the insurer offer coverage, but it would be optional, it could be waived in writing.

Mr. Don Heath, Commissioner, Insurance Division, explained to Senator Ashworth that rates might go down, but the problem of "stacking", which will be covered in a bill yet to come to the committee, would have to be solved.

Mr. Chuck Knaus, representing the Insurance Division, explained the elimination of no-fault would provide the basic reparation benefits coverage to be no longer mandatory; therefore, there would be a reduction in rates.

Mr. Wadhams explained there had been two supreme court decisions that decided if there are two automobiles and two premiums being paid for two sets of coverage and the coverage is attached to the vehicle and both policies can be recovered, even if only one car was involved, and the other was parked in the garage. He explained the "Oregon Plan" approach eliminates the restriction on the right to sue; this may increase the liability insurance premium by five percent plus; twenty percent more would be added onto that with the same benefits provided under the no-fault law.

Mr. Knaus explained if no-fault is eliminated, the benefits and the cost of insurance would reduce; then some of the cost would be picked up by an increase in the liability premium.

Mr. Anderson stated that AAA actuaries had estimated a twenty five percent increase in rates if no-fault is repealed and the "Oregon Plan" adopted.

Senator Close asked if no-fault is repealed and the same benefits desired, will the rates go up, down or remain the same?

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SB 313 continued

Mr. Anderson stated that his company believes the rates would go up by twenty five percent.

Mr. Heath explained to Senator Blakemore that if no-fault is repealed, and the system is strengthened for mandatory auto coverage, what is lost, by eliminating the thresholds will be offset.

Mr. Wadhams concluded that his recommendation would be to repeal no-fault for the reasons contained in Exhibit "G", and also that AB 617 (which disallows stacking), be passed. He added that the bottom line is that the cost would be less and the adversary system is the most effective; the present system in Nevada is the worst possible. To this, Mr. Heath concurred.

Senator Blakemore moved to Amend and Do Pass SB 313.

Seconded by Senator McCorkle.

Motion carried. (Senator Hernstadt absent).

AB 84 Permits self-insurance of workman's compensation risks.

Discussion followed regarding rehabilitation and the changing of vocation for injured workers. Who would have the final decision in changing of vocations was discussed. It was decided the employer would have the right to consult where there is a vocational change, the treating physician and the injured worker would be included. This should be added after Paragraph 2, Section 26, Page 7. Chairman Wilson suggested the following language: "Before ordering rehabilitation services for an injured worker, there must first be a consultation with the treating physician or physicians with respect to whether the proposed rehabilitation program is compatible with the injured worker's age, sex and physical condition. If the rehabilitation services will involve a change in vocation, the consultation must also include a rehabilitation counselor."

Senator Close moved to Amend and Do Pass AB 84.

Seconded by Senator Ashworth.

Motion carried (Senator Hernstadt absent).

The committee decided to prepare a resolution to review and determine legislation for "3" way worker's compensation insurance, with the express provision that a minimum could not be required that would not affect NIC. It was further decided that there would not be a rating schedule imposed on NIC and the resolution would include an investigation of the private insurance companies and their willingness to come into Nevada.

SB 95 Permits agent of prescriber to transmit prescription by oral order.

Senator Ashworth moved that the Committee concur with Amendment #656 to SB 95.

Seconded by Senator Blakemore.

Motion carried. (Senators Young and Hernstadt absent).

Chairman Wilson adjourned the meeting at 7:30 p. m.

Respectfully submitted,

*Betty L. Kalicki*  
Betty L. Kalicki, Secretary

APPROVED:

Thomas R. C. Wilson, Chairman

SENATE Commerce and Labor COMMITTEE

GUEST LIST

DATE: Friday, April 27, 1979

NAME	AGENCY OR ORGANIZATION
F. Sublias	Nevada Cosmetology Schools Assoc
C. J. McCusky	Nevada State Board Dental Examiners
John Sande	Major Oil Companies
Laurie Klynn	
Jan Leary	
Jim Baker	
Alan Combs	
Bob Leaven	
Steve Chenin	
Frank B. Walker	
James J. [unclear]	
Blaine Gunn	Nevada Dental Assoc.
Beth [unclear] DDS	
Ed [unclear]	
Wayne Zenger DDS	
Burt [unclear] D.D.	
W. J. [unclear] DDS	
D. C. [unclear] DMD	
Pae [unclear] DDS	Nevada Board of Dental Examiners
Medicine [unclear] DDS	



# Telegram

REA174(1857)(4-043050E116)PD 04/26/79 1857

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FMS LORNDALE SEBBAS, RDM REPORT DELIVERY BY MAILGRAM, DLR

1627 PRATER BY

SPARKS NV 89431

THIS IS TO DISPEL ANY RUMORS THAT MAY BE CIRCULATING THAT A REPRESENTATIVE FROM THE CALIFORNIA STATE BOARD OF COSMETOLOGY WILL BE GIVING TESTIMONY AT A LEGISLATIVE HEARING CONCERNING SB493 ON APRIL 27TH 1979 YOU MAY CALL ME AT 916-443-9278 IF YOU HAVE ANY QUESTIONS OR REQUIRE MORE INFORMATION

RUSSELL C SALAZAR EXECUTIVE SECRETARY CALIFORNIA STATE BOARD OF COSMETOLOGY 1020 N ST SACRAMENTO CA 95814

NNNN

1979 APR 28 PM 4:11

4-1281 (2-7-69)

NEVADA STATE BOARD OF DENTAL EXAMINERS  
83 SOUTH MAINE STREET  
FALLON, NEVADA 89406  
423-2322

CHARLES P. MCCUSKEY, D.D.S., SECRETARY

STATEMENT OF THE NEVADA STATE BOARD  
OF DENTAL EXAMINERS  
SB 501

Mr. Chairman and members of the commerce committee. I am Dr. Charles P. McCuskey of Fallon. I am the Secretary of the Nevada State Board of Dental Examiners and would like to testify on this legislative proposal on behalf of the board. On the surface, a law such as this would appear to be beneficial to the public by allowing anyone in the specialty field to have a dental specialty license to practice in Nevada. The board has grave concerns over this provision and for that reason has asked to be heard. Our concerns are voiced, not for the profession in Nevada with its high caliber of treatment, but rather for all the people in Nevada. There is increasing pressure from many groups to circumvent the sovereign rights of Nevadans expressed through their legislature who provide for the licensing of health care providers. This movement is strongest from the federal government by the Dept. of Health, education and welfare through the federal trade commission and the council of state governments. The ultimate goal will be to eliminate licensing by all state governments and allowing anyone with a dental degree to locate anyplace in the nation. The state will have no control over such an arrangement, nor would the people have recourse except through the legal efforts of malpractice. The Board is convinced that this legislature, provided with the proper facts by Nevada citizens can better provide for the people of this state.

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NEVADA STATE BOARD OF DENTAL EXAMINERS  
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CHARLES P. MCCUSKEY, D.D.S., SECRETARY

Though an applicant for licensure as a specialist may appear with quality credentials in writing, this does not mean that the quality of the service he would provide for our people would be of the same high caliber that this board has established as a minimally acceptable standard in Nevada.

Gentlemen, all persons holding specialty certificates from the various american boards are not providing the specialty care that you might expect from their written credentials. This legislature and the Nevada State Board of Dental Examiners would have no control over the american specialty boards, their examinations or their requirements for certification. Many specialists were granted grandfather certificates in their specialties and have had no formal training. In many cases this would not be acceptable to the populus. The law as now written provides most adequately for specialists to be licensed. They must first pass the general practice examination. This is a good assessment of the candidate as he must first be a qualified general dentist and then take additional training in his chosen field. Following his successful performance he may submit his credentials for a specialty license to the board. If the credentials are in order then the board will issue a specialty certificate to the practitioner. The board of dental examiners has found through it's examinations that well qualified specialists have no difficulty passing the examination for a general license. They also practice their specialty in a capable and professional manner for the public benefit. There is a growing movement to allow specialists to be licensed in more than one specialty. Some would even have the public believe that they are eminently qualified in these other areas and still only hold a regular license.

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NEVADA STATE BOARD OF DENTAL EXAMINERS  
83 SOUTH MAINE STREET  
FALLON, NEVADA 89406  
423-2322

CHARLES P. MCCUSKEY, D.D.S., SECRETARY

If a specialist is licensed under the manner prescribed in SB 501 he will have been licensed to do these things in Nevada without ever having demonstrated his ability to the controlling Nevada authority. In other words, the Nevada Authorities would have to accept the evaluation carried on by people other than Nevadans. The manner of licensing our dental health care practitioners in Nevada and the minimum standards set by this board are directly responsible for the professions low incidence of malpractice proceedings . Through these licensing procedures we have established a professional community second to none in this country. This in turn has provided the best in service and care for the people of Nevada. It would seem that this bill is designed for special interests not the benefit of the citizens of the state. The board is unanimous in its opinion that this legislation should be rejected. THANK YOU.....



1979 REGULAR SESSION (60TH)

ASSEMBLY ACTION		SENATE ACTION		Assembly	AMENDMENT BLANK
Adopted	<input type="checkbox"/>	Adopted	<input type="checkbox"/>	AMENDMENTS to	Senate
Lost	<input type="checkbox"/>	Lost	<input type="checkbox"/>	Bill No.	<del>Joint</del>
Date:		Date:		95	<del>Resolution No.</del>
Initial:		Initial:		BDR	54-634
Concurred in	<input type="checkbox"/>	Concurred in	<input type="checkbox"/>	Proposed by	Mr. Jeffrey
Not concurred in	<input type="checkbox"/>	Not concurred in	<input type="checkbox"/>		
Date:		Date:			
Initial:		Initial:			

Amendment N<sup>o</sup> 656



Amend section 2, page 1, by deleting line 3 and inserting:

"Sec. 2. 1. A prescription must be".

Amend section 2, pages 1 and 2, by deleting lines 19 through 21 on page 1 and lines 1 and 2 on page 2.

Amend the title of the bill, 2nd line, by deleting "certain".

- (1) Section 14 - Delete entire section.
- (2) Section 24 - page 7, lines 13 and 14. Delete lines 13 and 14 after word associations.
- (3) Section 26 - page 7, line 42. Add: or self-insured employer after commission.
- (4) Section 26 - page 7, line 48. Delete paragraph 2 and add: Before ordering rehabilitation services for an injured worker that will involve a change in vocation there must first be a consultation between the employer and the injured worker.
- (5) Section 26 - page 8, lines 5 and 6. Delete [ordered by the commission] and place period after services.
- (6) Section 30 - page 9, line 12. Add: or self-insured employer after commission.
- (7) Section 31 - page 9, lines 40 and 41. These lines should read "contributions shall be in the discretion of the commission."

Section 31 - paragraph 3, page 9, line 42 to page 10, line 12, replace with the following:

3. The rating system provided by this section is subject to the further limitation that:

- (a) All studies conducted by the commission for the purpose of determining the adequacy of rate levels, the equity of rates between and among classifications, shall be conducted in the presence of an actuary designated by the commissioner of insurance.
- (b) No increase or reduction of premium rate or additional charge or rebate of premium contribution may become effective for 30 days after adoption by the commission. Upon adoption of any increase or reduction of premium rate or additional charge or rebate of premium contributions provided by this section, the commission must file the revised rates with the commissioner of insurance and give written notice thereof to the employer affected by such rate change, charge or rebate.

The commissioner of insurance will grant the employer, if requested by him, a hearing prior to the effective date of the rate change. At such hearing, consideration must be given to the objections as made by the parties appearing, and all matters in dispute must be resolved after such hearing by the commissioner of insurance in a manner which will not unjustly affect the objecting party or the state insurance fund. Following the hearing, the commission shall make such adjustments in rates as are ordered by the commissioner. The objective to be accomplished is to prescribe and collect only such premiums as may be necessary to pay the obligations created by this chapter, administrative expenses, and to carry such reasonable reserves as may be prescribed by law or deemed necessary to meet such contingencies as may reasonably be expected.

- (8) Section 36 - page 12, line 26. Revert to the original language of NRS 616.427 and add as paragraph 6 the following:

6. The commissioner of insurance must by regulation establish a subsequent injury fund to be funded by self-insured employers.

- (9) Section 38 - page 13, line 44. Delete brackets and add self-insured employer so that line 44 will read as follows:

must be given to the commission or self-insured employer as soon as practicable, but

- (10) Section 38 - page 14, line 26. Paragraph 7 amended to read as follows:

The commission or the self-insured employer must either accept or deny responsibility for compensation under this chapter or chapter 617 of NRS within 30 days after the notice provided for in this section is received unless additional information is necessary to determine liability. If additional information is necessary to determine liability written notice must be provided to the claimant and to the insurance commissioner explaining the need for further investigation.

- (11) Section 47 - page 18, line 38. Delete all of section 47.
- (12) Section 49 - page 22, line 37. Change commission to Commissioner of Insurance.
- (13) Section 51 - page 23, line 12. After commission add or self-insured employer.
- (14) Section 54 - page 24, line 4. After commission all or self-insured employer.
- (15) Section 56 - page 24, line 16. Delete the brackets around as defined in this chapter.
- (16) Section 56 - page 24, line 21. Delete the brackets around the word total.
- (17) Section 6- - page 25, line 29. Delete entire section.

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING  
CAPITOL COMPLEX  
CARSON CITY, NEVADA 89710

EXHIBIT "E"



LEGISLATIVE COMMISSION (702) 885-5627

DONALD R. MELLO, *Assemblyman, Chairman*  
Arthur J. Palmer, *Director, Secretary*

INTERIM FINANCE COMMITTEE (702) 88

FLOYD R. LAMB, *Senator, Chairman*  
Ronald W. Sparks, *Senate Fiscal Analyst*  
William A. Bible, *Assembly Fiscal Analyst*

ARTHUR J. PALMER, *Director*  
(702) 885-5627

FRANK W. DAYKIN, *Legislative Counsel* (702) 88  
JOHN R. CROSSLEY, *Legislative Auditor* (702) 88  
ANDREW P. GROSE, *Research Director* (702) 885-

April 9, 1979

Senator Thomas R.C. Wilson, Chairman  
Senate Commerce and Labor Committee  
Legislative Building  
Carson City, Nevada 89710

Dear Senator Wilson:

AB 84 is currently before your committee. Enclosed is a copy of the letter I sent to Assemblyman Banner in regards to Section 59 of that bill.

I am available to discuss this with you at your convenience.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "John R. Crossley".

John R. Crossley, C.P.A.  
Legislative Auditor

JRC:rie  
Enclosure

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

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CAPITOL COMPLEX  
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EXHIBIT E -

LEGISLATIVE COMMISSION (702) 885-5627  
DONALD R. MELLO, *Assemblyman, Chairman*  
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ARTHUR J. PALMER, *Director*  
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ANDREW P. GROSE, *Research Director* (702) 885-56

March 23, 1979

Assemblyman James J. Banner, Chairman  
Assembly Committee on Labor and Management  
Legislative Building  
Carson City, Nevada 89710

Dear Assemblyman Banner:

AB 84 is currently before your committee. Section 59 of that bill provides the following:

"SEC. 59. 1. The legislative auditor shall conduct an audit of the Nevada industrial commission during the interim between the 60th and the 61st sessions of the Nevada legislature to determine compliance with the law. The legislative auditor must report his findings and any recommendations to the 61st session of the Nevada legislature.

2. The Nevada industrial commission may assess each self-insured employer for his prorated share of the cost of this audit."

The fiscal note submitted indicated costs were being accumulated. As we discussed, this office has not been contacted as to what our audit might cost. Accordingly, I am providing you the following information and cost estimate.

We could, of course, perform an audit of their financial statements, as well as do a compliance audit. In a compliance audit specific determinations are made in regard to;

- (a) use of funds in accordance with their intended purpose;
- (b) compliance with legal restrictions;
- (c) performance of legally required functions and duties;
- (d) proper administration of special grant money;
- (e) establishment of good fiscal procedures and controls;
- (f) proper collection of revenues and receipts;
- (g) correct administration of trust funds;
- (h) existence of any evidence of fraud or dishonesty in fiscal operations; and
- (i) establishment of accurate books and records.

The compliance portion of our audits, of course, is more comprehensive and takes more manhours than the standard financial audit performed in the private sector and in most local governmental units.

There are several ways this audit can be accomplished. Three ways are set forth in the following schedule, along with the estimated costs of each.

	<u>Options</u>		
	<u>Complete Financial Compliance Audit by Audit Division</u>	<u>Audit Division Contracts for Financial Audit and Performs Compliance Audit</u>	<u>NIC Contracts for Financial Audit and Audit Division Performs Compliance Audit</u>
Audit Division	\$159,800	\$106,100	\$103,200
Other Services:			
Legal	4,000	4,000	4,000
Actuarial	4,000	4,000	4,000
Medical	4,000	4,000	4,000
Contract Audit	--	53,700	--
	<u>\$171,800</u>	<u>\$171,800</u>	<u>\$115,200</u>

In as much as this would be our first audit of NIC, we would incur certain one-time start up costs on the financial portion of the audit.

The \$4,000 actuarial services is for special services we might require. The NIC would still have to obtain their own complete actuarial evaluation as they presently do.

We are available to discuss this with you at your convenience.

Sincerely yours,



John R. Crossley, C.P.A.  
Legislative Auditor

JRC:rie

FISCAL NOTE

EXHIBIT "F"

BDR  
A.B. 84, Section 59  
S.B.

• STATE AGENCY ESTIMATES Date Prepared April 27, 1979

Agency Submitting Nevada Industrial Commission

Revenue and/or Expense Items	Fiscal Year 1978-79	Fiscal Year 1979-80	Fiscal Year 1980-81	Continuing
Total				

Explanation (Use Continuation Sheets If Required)

Referenced section of AB 84 provides that the legislative auditor should conduct an audit of the Nevada Industrial Commission during the interim between the 60th and 61st sessions of the Nevada Legislature.

The legislative auditor has estimated that the cost of this audit will fall in the range of \$115,200 to \$171,800.

Local Government Impact YES  NO   
(Attach Explanation)

Signature John R. Reiser  
John R. Reiser  
Title Chairman

• DEPARTMENT OF ADMINISTRATION COMMENTS Date

Signature  
Title

• LOCAL GOVERNMENT FISCAL IMPACT (Legislative Counsel Bureau Use Only) Date

Signature 1556  
Title



STATE OF NEVADA

EXHIBIT "G"

DEPARTMENT OF COMMERCE

NYE BUILDING, ROOM 321  
201 SOUTH FALL STREET  
CARSON CITY, NEVADA 89710  
(702) 885-4250

DIVISIONS

BANKING  
CONSUMER AFFAIRS  
CREDIT UNION  
FIRE MARSHAL  
HOUSING  
INSURANCE  
MOBILE HOME AGENCY  
REAL ESTATE  
SAVINGS AND LOAN

ROBERT LIST  
GOVERNOR

JAMES L. WADHAMS  
DIRECTOR

April 27, 1979

Senator Clifford E. McCorkle  
Room 361, Legislative Building  
Carson City, Nevada 89710

Dear Senator McCorkle:

In response to your request, I am providing the following reasons for the repeal of no-fault insurance.

1. Cost. The current system is very expensive and during certain periods for some major companies has increased at a rate higher than hospital costs, the CPI, or the general rate of inflation.
2. Restriction on the right to sue. This restriction, the monetary threshold for which is \$750, is not justified in terms of the denied compensation for noneconomic detriment nor is it justified in terms of the additional persons with "smaller" claims being compensated.
3. Inconsistencies in thresholds. There is an unfairness in the system when a broken arm is considered as serious as a permanent injury.
4. A no-fault or limited fault, first party system has a greater potential for abuse by persons who do not merit compensation than a fault system.
5. The first party (no-fault) benefit package in many cases is redundant to other forms of accident insurance with no reduction in overall cost.
6. The subrogation feature in our law has a tendency to vitiolate or undermine good claims control by the no-fault carrier.
7. There are cost allocation problems and possible cross-subsidization between insured and uninsured drivers because the compulsory aspect of our no-fault law is not enforced.

Very truly yours,

JLW/JK

James L. Wadhams, Director

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