SENATE BILL NO. 240-SENATOR TOWNSEND

MARCH 6, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Revises various provisions relating to benefits payable to surviving spouses and children of certain police officers and firemen. (BDR 53-696)

FISCAL NOTE: Effect on Local Government: Yes. Effect on the State: Yes.

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EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to public employees; allowing the surviving spouse of a deceased police officer or fireman to continue to receive death benefits under industrial insurance after the surviving spouse remarries; making certain provisions apply retroactively to allow certain benefits to be made available to the surviving spouses and children of certain police officers and firemen killed in the line of duty; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

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

- 1. Except as otherwise provided in this section, if the surviving spouse of a deceased police officer or fireman is entitled to be paid compensation pursuant to subsection 2 of NRS 616C.505, the surviving spouse:
- 7 (a) Must be paid that compensation until the death of the 8 surviving spouse, whether or not the surviving spouse remarries; 9 and
 - (b) Must not be paid any compensation pursuant to subsection 2 of NRS 616C.505 in one lump sum upon remarriage.
 - 2. If the surviving spouse of a deceased police officer or fireman becomes the spouse of another employee who thereafter



dies under circumstances that would otherwise entitle the surviving spouse to be paid compensation pursuant to subsection 2 of NRS 616C.505 with respect to the other employee, the surviving spouse:

(a) Must not be paid compensation pursuant to subsection 2 of NRS 616C.505 with respect to the other employee; and

- (b) Shall be deemed to have predeceased the other employee for the purposes of chapters 616A to 616D, inclusive, of NRS.
 - **Sec. 2.** NRS 616C.505 is hereby amended to read as follows:
- 616C.505 If an injury by accident arising out of and in the course of employment causes the death of an employee in the employ of an employer, within the provisions of chapters 616A to 616D, inclusive, of NRS, the compensation is known as a death benefit [,] and is payable as follows:
- 1. In addition to any other compensation payable pursuant to chapters 616A to 616D, inclusive, of NRS, burial expenses are payable in an amount not to exceed \$5,000. When the remains of the deceased employee and the person accompanying the remains are to be transported to a mortuary or mortuaries, the charge of transportation must be borne by the insurer.
- 2. [To] Except as otherwise provided in section 1 of this act, to the surviving spouse of the deceased employee, 66 2/3 percent of the average monthly wage is payable until his death or remarriage, with 2 years' compensation payable in one lump sum upon remarriage.
 - 3. In the event of the subsequent death of the surviving spouse:
- (a) Each surviving child of the deceased employee must share equally the compensation theretofore paid to the surviving spouse but not in excess thereof, and it is payable until the youngest child reaches the age of 18 years.
- (b) Except as otherwise provided in subsection 11, if the children have a guardian, the compensation they are entitled to receive may be paid to the guardian.
 - 4. Upon the remarriage of a surviving spouse with children:
- (a) The surviving spouse must be paid 2 years' compensation in one lump sum and further benefits must cease; and
- (b) Each child must be paid 15 percent of the average monthly wage, up to a maximum family benefit of 66 2/3 percent of the average monthly wage.
- The provisions of this subsection do not apply to the remarriage of a surviving spouse of a deceased police officer or fireman if the provisions of section 1 of this act apply to the surviving spouse.
- 5. If there are any surviving children of the deceased employee under the age of 18 years, but no surviving spouse, then each such



child is entitled to his proportionate share of 66 2/3 percent of the average monthly wage for his support.

- 6. Except as otherwise provided in subsection 7, if there is no surviving spouse or child under the age of 18 years, there must be paid:
- (a) To a parent, if wholly dependent for support upon the deceased employee at the time of the injury causing his death, 33 1/3 percent of the average monthly wage.
- (b) To both parents, if wholly dependent for support upon the deceased employee at the time of the injury causing his death, 66 2/3 percent of the average monthly wage.
- (c) To each brother or sister until he or she reaches the age of 18 years, if wholly dependent for support upon the deceased employee at the time of the injury causing his death, his proportionate share of 66 2/3 percent of the average monthly wage.
- 7. The aggregate compensation payable pursuant to subsection 6 must not exceed 66 2/3 percent of the average monthly wage.
- 8. In all other cases involving a question of total or partial dependency:
- (a) The extent of the dependency must be determined in accordance with the facts existing at the time of the injury.
- (b) If the deceased employee leaves dependents only partially dependent upon his earnings for support at the time of the injury causing his death, the monthly compensation to be paid must be equal to the same proportion of the monthly payments for the benefit of persons totally dependent as the amount contributed by the deceased employee to the partial dependents bears to the average monthly wage of the deceased employee at the time of the injury resulting in his death.
- (c) The duration of compensation to partial dependents must be fixed in accordance with the facts shown, but may not exceed compensation for 100 months.
- 9. Compensation payable to a surviving spouse is for the use and benefit of the surviving spouse and the dependent children, and the insurer may, from time to time, apportion such compensation between them in such a way as it deems best for the interest of all dependents.
- 10. In the event of the death of any dependent specified in this section before the expiration of the time during which compensation is payable to him, funeral expenses are payable in an amount not to exceed \$5,000.
- 11. If a dependent is entitled to receive a death benefit pursuant to this section and is less than 18 years of age or incompetent, the legal representative of the dependent shall petition for a guardian to be appointed for that dependent pursuant to NRS 159.044. An



insurer shall not pay any compensation in excess of \$3,000, other than burial expenses, to the dependent until a guardian is appointed 2 and legally qualified. Upon receipt of a certified letter of guardianship, the insurer shall make all payments required by this section to the guardian of the dependent until the dependent is emancipated, the guardianship terminates or the dependent reaches the age of 18 years, whichever occurs first, unless paragraph (a) of subsection 12 is applicable. The fees and costs related to the guardianship must be paid from the estate of the dependent. A guardianship established pursuant to this subsection must be 10 administered in accordance with chapter 159 of NRS, except that after the first annual review required pursuant to NRS 159.176, a court may elect not to review the guardianship annually. The court shall review the guardianship at least once every 3 years. As used in this subsection, "incompetent" has the meaning ascribed to it in 16 NRS 159.019.

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- 12. Except as otherwise provided in paragraphs (a) and (b), the entitlement of any child to receive his proportionate share of compensation pursuant to this section ceases when he dies, marries or reaches the age of 18 years. A child is entitled to continue to receive compensation pursuant to this section if he is:
- (a) Over 18 years of age and incapable of supporting himself, until such time as he becomes capable of supporting himself; or
- (b) Over 18 years of age and enrolled as a full-time student in an accredited vocational or educational institution, until he reaches the age of 22 years.
- 13. As used in this section, "surviving spouse" means a surviving husband or wife who was married to the employee at the time of the employee's death.
- Sec. 3. Section 7 of chapter 506, Statutes of Nevada 1999, at page 2610, is hereby amended to read as follows:
 - Sec. 7. This act becomes effective upon passage and approval : and applies retroactively to January 1, 1998.
- **Sec. 4.** The amendatory provisions of sections 1 and 2 of this act do not apply to a surviving spouse of a deceased police officer or fireman if the surviving spouse remarried before July 1, 2003.
- **Sec. 5.** Notwithstanding the provisions of NRS 287.021 or 287.0477 concerning notice, if a surviving spouse or child who was not eligible for the benefits set forth in NRS 287.021 or 287.0477 before July 1, 2003, becomes eligible for those benefits by the retroactive operation of the amendatory provisions of section 3 of this act, the surviving spouse or child must notify in writing the public agency, the participating public agency or the Board of the Public Employees' Benefits Program, as appropriate under NRS



287.021 or 287.0477, not later than August 29, 2003, to be entitled to the benefits set forth in NRS 287.021 or 287.0477.

- **Sec. 6.** 1. If a public agency is required pursuant to NRS 287.021 and the amendatory provisions of section 3 of this act to pay the entire cost of the premiums or contributions for the group insurance or medical and hospital service for a surviving spouse or child who notifies the public agency pursuant to section 5 of this act, the public agency is not required to:
- (a) Reimburse the surviving spouse or child for any payments made by or on behalf of the surviving spouse or child between January 1, 1998, and July 1, 2003, for the group insurance or medical and hospital service; or
- (b) Pay or reimburse the surviving spouse or child for any medical expenses incurred by or on behalf of the surviving spouse or child between January 1, 1998, and July 1, 2003.
- 2. If a participating public agency is required pursuant to NRS 287.0477 and the amendatory provisions of section 3 of this act to pay the entire cost of the premiums or contributions for the Public Employees' Benefits Program or any other insurer or employee benefit plan approved by the Board of the Public Employees' Benefits Program pursuant to NRS 287.0479 for a surviving spouse or child who meets the requirements set forth in subsection 1 of NRS 287.0477 and who notifies the participating public agency pursuant to section 5 of this act, the participating public agency is not required to:
- (a) Reimburse the surviving spouse or child for any payments made by or on behalf of the surviving spouse or child between January 1, 1998, and July 1, 2003, for the Public Employees' Benefits Program or any other insurer or employee benefit plan approved by the Board of the Public Employees' Benefits Program pursuant to NRS 287.0479; or
- (b) Pay or reimburse the surviving spouse or child for any medical expenses incurred by or on behalf of the surviving spouse or child between January 1, 1998, and July 1, 2003.
- 3. If the State of Nevada is required pursuant to NRS 287.0477 and the amendatory provisions of section 3 of this act to pay the entire cost of the premiums or contributions for the Public Employees' Benefits Program for a surviving spouse or child who elects to join the Public Employees' Benefits Program pursuant to subsection 2 of NRS 287.0477 and who notifies the Board of the Public Employees' Benefits Program pursuant to section 5 of this act, the State of Nevada is not required to:
- (a) Reimburse the surviving spouse or child for any payments made by or on behalf of the surviving spouse or child between



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- January 1, 1998, and July 1, 2003, for the Public Employees' Benefits Program; or

 (b) Pay or reimburse the surviving spouse or child for any medical expenses incurred by or on behalf of the surviving spouse or child between January 1, 1998, and July 1, 2003.

 Sec. 7. This act becomes effective on July 1, 2003. 3 5



