



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

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) Chapters 616A through 616D as follows:

1. EXPLANATION OF THE NEED FOR THE ADOPTED REGULATION

On January 12, 2023, Nevada Governor Joe Lombardo issued Executive Order 2023-003, requiring every executive branch department, agency, board, and commission to undertake a comprehensive review of the regulations subject to its enforcement and provide details on how the regulation can be streamlined, clarified, reduced, or otherwise improved to ensure those regulations provide for the general welfare of the State without unnecessarily inhibiting economic growth. Executive Order 2023-003 further required every executive branch department, agency, board, and commission to provide a list of regulations recommended for removal. The Division of Industrial Relations, Workers' Compensation Section ("WCS") undertook such review and the proposed regulations, and amendments thereto, are in furtherance of the Division's compliance with Executive Order 2023-003. Specifically, R028-23 eliminates certain duplicative language concerning the method of obtaining certain forms; revises provisions relating to the manner in which the Administrator of the Division of Industrial Relations of the Department of Business and Industry must determine the timeliness of certain payments; removes a requirement for an insurer to file with the Administrator a report containing certain information upon request of the Administrator; removes certain obsolete requirements; removing a definition; and provides other matters properly relating thereto.

Further, Executive Order 2023-008, issued June 30, 2023, notes that the executive agencies, boards, and commissions subject to Executive Order 2023-003 shall begin the process of repealing, streamlining, clarifying, reducing, or otherwise improving regulations. This proposed regulation seeks to comply with Executive Order 2023-008.

2. DESCRIPTION OF HOW PUBLIC COMMENT WAS SOLICITED, A SUMMARY OF PUBLIC RESPONSE, AND AN EXPLANATION OF HOW OTHER INTERESTED PERSONS MAY OBTAIN A COPY OF THE SUMMARY.

Copies of the proposed regulation, notices of workshop, and notice of intent to act upon the regulation were sent by e-mail to persons who were known to have an interest as well as any persons who had specifically requested such notice, if any. These documents were also made

available at the Division’s website, <http://dir.nv.gov/Meetings/Meetings>, with the notices also posted at the following locations:

- The State of Nevada Website (www.notice.nv.gov)
- The Nevada State Legislature Website (<http://leg.state.nv.us/App/Notice/A/>)
- The Division of Industrial Relations Website (<http://dir.nv.gov/Meetings/Meetings>)

An initial Public Hearing with key industry stakeholders was held pursuant to Executive Order 2023-003 on May 4, 2023 to: (1) vet the recommended changes; (2) solicit input as to the merits of those changes; and (3) identify other regulatory changes stakeholders felt were worthy of consideration.

Thereafter, a Workshop was held to solicit comments on the proposed regulation on December 14, 2023. At the conclusion the December 14, 2023 Workshop, the Division invited members of the public wishing to submit written public comment. No written public comments were received.

The Division then held a Public Adoption Hearing on February 6, 2024. Again, after the conclusion of the Public Hearing, the Division invited members of the public wishing to submit written public comment. No written public comments were received.

A summary may be obtained by contacting Rosalind Jenkins, Legal Secretary II, Division of Industrial Relations, (702) 486-9014, or by writing to the Division of Industrial Relations, 3360 W. Sahara Ave., Ste. 250, Las Vegas, Nevada 89102.

3. THE NUMBER OF PERSONS WHO:

- a. ATTENDED MAY 4, 2023 PUBLIC HEARING: 46
- b. ATTENDED DECEMBER 14, 2023 WORKSHOP: 5
- c. ATTENDED FEBRUARY 6, 2024 PUBLIC HEARING: 18
- d. TESTIFIED AT MAY 4, 2023 PUBLIC HEARING (regarding changes to NAC Chapters 616A through 616D): 2
- e. TESTIFIED AT DECEMBER 14, 2023 WORKSHOP: 0
- f. TESTIFIED AT FEBRUARY 6, 2024 PUBLIC HEARING: 0
- g. SUBMITTED WRITTEN COMMENTS RELATED TO MAY 4, 2023 PUBLIC HEARING: 0
- h. SUBMITTED WRITTEN COMMENTS RELATED TO DECEMBER 14, 2023, WORKSHOP: 0
- i. SUBMITTED WRITTEN COMMENTS RELATED TO FEBRUARY 6, 2024 PUBLIC HEARING: 0

4. FOR EACH PERSON IDENTIFIED IN PARAGRAPHS (d), (e), and (f) OF NUMBER 3 ABOVE, THE FOLLOWING INFORMATION, IF PROVIDED TO THE AGENCY CONDUCTING THE HEARING:

May 4, 2023 Public Hearing	
1	Name: Dalton Hooks, Esq. Telephone number: None received Business address: None received

	<p>Business telephone number: None received Electronic mail address: None received Name or organization represented: On behalf of the Nevada Self-Insured Association (NSIA) and its members Summary of comment: Mr. Hooks expressed his opinions regarding potential repeal of NAC 616C.520(2). Specifically, he disputed the assertion that the D-6 Form was not regularly used. He noted that the D-6 Form is an important tool in addressing potential fraud and requested reconsideration of removal of the regulation.</p>
2	<p>Name: Daniel Schwartz, Esq. Telephone number: None received Business address: None received Business telephone number: None received Electronic mail address: None received Name or organization represented: On behalf of the Nevada Self-Insured Association (NSIA) Summary of comment: Mr. Schwartz stated that they are told by the Attorney General's Fraud Unit that without the D-6 Form, they will not prosecute fraud if they do not have the form and that the Attorney General takes the position that no verification of employee working.</p>

5. DESCRIPTION OF HOW COMMENT WAS SOLICITED FROM AFFECTED BUSINESSES, A SUMMARY OF THEIR RESPONSE, AND AN EXPLANATION OF HOW OTHER INTERESTED PERSONS MAY OBTAIN A COPY OF THE SUMMARY.

To determine whether the proposed regulations were likely to have an impact on small businesses, the Division considered the purpose and scope of the proposed regulations. The proposed regulations revise provisions of NAC 616A through 616D by eliminating certain duplicative language concerning the method of obtaining certain forms; revising provisions relating to the manner in which the Administrator of the Division of Industrial Relations of the Department of Business and Industry must determine the timeliness of certain payments; removing a requirement for an insurer to file with the Administrator a report containing certain information upon request of the Administrator; removing certain obsolete requirements; removing a definition; and providing other matters properly relating thereto.

In addition, on November 3, 2023, the Division sent out a Small Business Impact Statement Questionnaire to interested parties on the Division's Listserv, which includes 14,161 recipients. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return the questionnaire was November 17, 2023. The Division received one response from Gary Becker, DC.

Dr. Becker responded to the questionnaire by noting that the regulation would have an adverse economic effect on his business, stating, "Potential adverse economic effect depending on specifics, [sic] of how Impairment Rating Exams are assigned. A reasonable protocol must be established to assign and/or re-assign exams, to minimize negative impact on raters and DIR staff. DIR staff may be overwhelmed." After receipt of Dr. Becker's response, the Division considered

the scope of R028-23 and found that the concerns raised by Dr. Becker were not addressed in this regulation. However, the Division believes that Dr. Becker's concerns may be addressed in the Division's other proposed regulations, namely LCB File No. R076-23.

Based on this review, the Division determined that this regulation would have no direct effect on small businesses, either adverse or beneficial, and will also have no indirect effect on small businesses, either adverse or beneficial.

A summary may be obtained by contacting Rosalind Jenkins, Legal Secretary II, Division of Industrial Relations, (702) 486-9014, or by writing to the Division of Industrial Relations, 3360 W. Sahara Ave., Ste. 250, Las Vegas, Nevada 89102.

6. IF THE REGULATION WAS ADOPTED WITHOUT CHANGING ANY PART OF THE PROPOSED REGULATION, A SUMMARY OF THE REASONS FOR ADOPTING THE REGULATION WITHOUT CHANGE.

The Division provided several opportunities for members of the public and key industry stakeholders to provide feedback on the proposed regulations, including the May 4, 2023 Public Hearing, December 14, 2023 Workshop, and February 6, 2024 Public Hearing. While Dalton Hooks, Esq., and Daniel Schwartz, Esq., provided their opinions at the May 4, 2023 Public Hearing regarding NAC 616C.520(2), the version of LCB File No. R028-23 that was ultimately adopted by the Division did not repeal NAC 616C.520(2). No additional public comment was received related to LCB File No. R028-23.

7. 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 anticipates no adverse effects, either direct or indirect, on regulated businesses as the result of these regulations. There will be no direct or indirect cost to regulated or small businesses.

The Division believes that there will be beneficial effects, direct or indirect, on regulated or small businesses as the result of these regulations. The Division proposed the modifications to NAC Chapters 616A through 616D because certain definitions listed therein reference words that are no longer contained in the regulations. Further, the amendments proposed in LCB File No. R028-23 seek to remove obsolete requirements and duplicative language that will make the regulations more concise for stakeholders.

ii. Effect on the Public

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

The Division believes that there will be no beneficial effects, either direct or indirect, on the public as the result of these regulations.

B. IMMEDIATE AND LONG-TERM EFFECTS

i. Effect on Businesses

The Division does not anticipate any immediate effects, either adverse or beneficial, on regulated businesses as a result of these regulations. There will be no direct or indirect costs to regulated businesses.

The Division does not anticipate any long-term effects, either adverse or beneficial, on regulated businesses as a result of these regulations. There will be no direct or indirect costs to the regulated businesses.

ii. Effect on the Public

The Division does not anticipate any immediate effects, either immediate or long-term, on the public as a result of these regulations. There will be no direct or indirect costs to the public.

8. 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.

9. 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.

10. 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.

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11. 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 include a new fee or an increase of an existing fee.

Dated this 15th day of February, 2024.

DIVISION OF INDUSTRIAL RELATIONS

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