

CONSOLIDATED INSURANCE PROGRAMS

The eligibility requirements for Consolidated Insurance Programs are defined in chapter 616B of the Nevada Revised Statutes (NRS). NRS 616B.710 sets \$150 million as the initial minimum estimated total cost of such a construction project. On June 30th of each year, the Commissioner is required to adjust the minimum estimated total cost of a construction project to reflect the present value of that amount with respect to the “construction cost index.”

NRS 616B.710(4)(a) defines the construction cost index as the construction cost index published by *Engineering News-Record* as a measure of inflation.

Effective July 1, 2007, to be eligible for a Consolidated Insurance Program, the minimum estimated total cost of a construction project must be \$195 million.

Under existing law, an employee covered under a Consolidated Insurance Program is deemed to be the employee of the Consolidated Insurance Program owner or principal contractor for the purpose of determining the loss experience of the owner or principal contractor.

Effective July 1, 2007, Senate Bill 99 of the 74th Session of the Nevada Legislature provides that an employee of a contractor or subcontractor covered under a Consolidated Insurance Program will be considered an employee of that contractor or subcontractor for the purpose of determining the loss experience.

The Commissioner will establish a regulation to administer the provisions set forth in Senate Bill 99. Notice of the regulation and workshop will be posted on the Division of Insurance Web site: <http://doi.state.nv.us/>. Interested persons may also receive notice of the workshop and hearing for this regulation by submitting a written request to the Division of Insurance, attention Terri Verbrughen.

ALICE A. MOLASKY-ARMAN
Commissioner of Insurance