



DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE
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NEW REQUIREMENTS FOR ARBITRATION CLAUSES

Effective October 1, 2013, Assembly Bill 326 (2013) added a new section to Chapter 597, Miscellaneous Trade Regulations and Prohibited Acts, of the Nevada Revised Statutes. Under the new law, if an agreement includes a provision that requires a person to submit to arbitration, the agreement must include a specific authorization indicating that the person has affirmatively agreed to the provision. If this specific authorization is not present, the arbitration provision is void and unenforceable. This bulletin serves to alert insurance companies of this new law and to set forth related filing requirements of the Division of Insurance ("Division") in relation to this new law.

Any insurer submitting a policy or endorsement for approval by the Division that includes a mandatory arbitration provision must also submit the authorization indicating that the insured has given affirmative approval. The Division will not approve any filing with a mandatory arbitration clause that does not include the required specific authorization provision. Insurers with currently approved forms that include mandatory arbitration clauses are not required to re-file the approved forms, but they must file the required authorization provision in a formal filing no later than December 31, 2013.

Questions regarding this topic may be submitted by email to pcinsinfo@doi.nv.gov.


SCOTT J. KIPPER
Commissioner of Insurance