

**NOTICE OF WORKSHOPS TO SOLICIT COMMENTS
ON PROPOSED REGULATIONS R005-16, R006-16, R007-16, R008-16
AND WORKSHOP AGENDA**

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”), is proposing the adoption, amendment or repeal of regulations pertaining to **chapters 686B, 690B, 690C, and 691C** of the Nevada Administrative Code (“NAC”). A workshop on proposed regulation R005-16 is set for **9:00 a.m. on April 12, 2016**, with workshops on proposed regulations R006-16, R007-16, and R008-16 to follow consecutively thereafter, at:

**Nevada Division of Insurance
1818 E. College Parkway, Suite 103 -- 1st Floor Hearing Room
Carson City, Nevada 89706**

Interested persons may also participate through a simultaneous videoconference conducted at:

**Nevada Division of Insurance
Bradley Building
2501 E. Sahara Avenue, Suite 302 -- 3rd Floor Conference Room
Las Vegas, Nevada 89104**

The purpose of the workshops is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations; and to assist in determining whether the proposed regulations are likely to impose a direct and significant burden upon a small business or directly restrict the formation, operation or expansion of a small business. Please submit any written comments no later than April 5, 2016. Be sure to indicate which regulation the comment pertains to.

LCB File No. R005-16. Credit Property Experience Report. (NRS 691C)

A regulation relating to insurance; repealing a provision relating to policies of credit personal property insurance; and providing other matters properly relating thereto.

LCB File No. R006-16. Force-Placed Insurance. (NRS 686B)

A regulation relating to insurance; revising certain provisions relating to filings an insurer is required to submit to the Division of Insurance of the Department of Business and Industry; and providing other matters properly relating thereto.

LCB File No. R007-16. Service Contracts. (NRS 690C)

A regulation relating to insurance; defining the term “incidental payment of indemnity” for the purpose of interpreting provisions of the Nevada Insurance Code relating to service contracts; and providing other matters properly relating thereto.

LCB File No. R008-16. Evidence of Insurance. (NRS 690B)

A regulation relating to insurance; revising various provisions relating to evidence of insurance; and providing other matters properly relating thereto.

A copy of all materials relating to the proposals may be obtained at the workshop or by visiting the Division's Internet Web site at <http://doi.nv.gov/> or by contacting the Division, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, (775) 687-0700. A reasonable fee for copying may be charged. Members of the public who would like additional information about the proposed regulations may contact Erin Summers, Actuarial Analyst, at (775) 687-0765, or via e-mail to esummers@doi.nv.gov.

Notice of the workshops was provided via electronic means to all persons on the agency's e-mail list for noticing of administrative regulations. This *Notice of Workshops to Solicit Comments on Proposed Regulations* was posted to the agency's Internet Web site at <http://doi.nv.gov/>, the Nevada Legislature's Internet Web site at <http://www.leg.state.nv.us>, and at the following locations:

Department of Business and Industry
Division of Insurance
1818 East College Parkway, Suite 103
Carson City, Nevada 89706

Department of Business and Industry
Division of Insurance
2501 East Sahara Avenue, Suite 302
Las Vegas, Nevada 89104

Legislative Building
401 South Carson Street
Carson City, Nevada 89701

Grant Sawyer Building
555 East Washington Avenue
Las Vegas, Nevada 89101

Blasdel Building
209 East Musser Street
Carson City, Nevada 89701

Capitol Building Main Floor
101 North Carson Street
Carson City, Nevada 89701

Nevada Department of Employment,
Training and Rehabilitation
2800 E. Saint Louis Ave.
Las Vegas, NV 89104

Nevada State Library & Archives
100 North Stewart Street
Carson City, Nevada 89701

Carson City Library
900 North Roop Street
Carson City, Nevada 89701

Churchill County Library
553 South Main Street
Fallon, Nevada 89406

Douglas County Library
P.O. Box 337
Minden, Nevada 89423

Elko County Library
720 Court Street
Elko, Nevada 89801

Esmeralda County Library
P.O. Box 430
Goldfield, Nevada 89013

Eureka Branch Library
P.O. Box 293
Eureka, Nevada 89316

Humboldt County Library
85 East 5th Street
Winnemucca, Nevada 89445

Lander County Library
P.O. Box 141
Battle Mountain, Nevada 89820

Las Vegas-Clark County Library District
7060 W. Windmill Lane
Las Vegas, NV 89113

Lincoln County Library
P.O. Box 330
Pioche, Nevada 89043-0330

Lyon County Library
20 Nevin Way
Yerington, Nevada 89447

Mineral County Public Library
P.O. Box 1390
Hawthorne, Nevada 89415

Pershing County Library
P.O. Box 781
Lovelock, Nevada 89419

Storey County Clerk
P.O. Drawer D
Virginia City, Nevada 89440

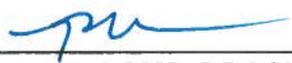
Tonopah Public Library
P.O. Box 449
Tonopah, Nevada 89049

Washoe County/Downtown Reno Library
P.O. Box 2151
Reno, Nevada 89505-2151

White Pine County Library
950 Campton Street
Ely, Nevada 89301

Members of the public who are disabled and require special accommodations or assistance at the workshops are requested to notify the Commissioner's secretary in writing to icommish@doi.nv.gov, or at 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or by calling (775) 687-0700, no later than five (5) working days prior to the workshop.

DATED this 15th day of March, 2016.



BARBARA D. RICHARDSON
Commissioner of Insurance

WORKSHOP AGENDA

The State of Nevada, Department of Business and Industry
Division of Insurance

April 12, 2016 • 9:00 a.m.

Location of Workshop:

Office of the Division of Insurance
1818 E. College Pkwy., 1st Floor Hearing Room
Carson City, NV 89706
(Division Offices located in Suite 103)

Available via Videoconference at:

Office of the Division of Insurance
2501 E. Sahara Ave., 3rd Floor Conference Room
Las Vegas, NV 89104
(Division Offices located in Suite 302)

1. **Call to Order: LCB File No. R005-16**
2. **Presentation and Discussion of Proposed Regulation. (For Possible Action)**
LCB File No. R005-16. Credit Property Experience Report. (NRS 691C)
A regulation relating to insurance; repealing a provision relating to policies of credit personal property insurance; and providing other matters properly relating thereto.
3. **Public Comment**
4. **Closure of Proceedings: LCB File No. R005-16**
5. **Call to Order: LCB File No. R006-16**
6. **Presentation and Discussion of Proposed Regulation. (For Possible Action)**
LCB File No. R006-16. Force-Placed Insurance. (NRS 686B)
A regulation relating to insurance; revising certain provisions relating to filings an insurer is required to submit to the Division of Insurance of the Department of Business and Industry; and providing other matters properly relating thereto.
7. **Public Comment**
8. **Closure of Proceedings: LCB File No. R006-16**
9. **Call to Order: LCB File No. R007-16**
10. **Presentation and Discussion of Proposed Regulation. (For Possible Action)**
LCB File No. R007-16. Service Contracts. (NRS 690C)
A regulation relating to insurance; defining the term “incidental payment of indemnity” for the purpose of interpreting provisions of the Nevada Insurance Code relating to service contracts; and providing other matters properly relating thereto.
11. **Public Comment**
12. **Closure of Proceedings: LCB File No. R007-16**
13. **Call to Order: LCB File No. R008-16**
14. **Presentation and Discussion of Proposed Regulation. (For Possible Action)**
LCB File No. R008-16. Evidence of Insurance. (NRS 690B)
A regulation relating to insurance; revising various provisions relating to evidence of insurance; and providing other matters properly relating thereto.
15. **Public Comment**
16. **Closure of Proceedings: LCB File No. R008-16**

17. Adjournment

Supporting public material for this meeting may be requested from Betsy Gould, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, by e-mail to bgould@doi.nv.gov, or by calling (775) 687-0705. In your request, please state that you are requesting meeting materials for LCB File No. **R005-16, Credit Property Experience Report**; or **R006-16, Force-Placed Insurance**; or **R007-16, Service Contracts**; or **R008-16 Evidence of Insurance**; and provide the date of the meeting.

Note: Any agenda item may be taken out-of-order; items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public Comment may be limited to three minutes per speaker.

Members of the public are encouraged to submit written comments for the record.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Commissioner's Assistant, at (775) 687-0771, no later than five (5) working days before the meeting.

NOTICES FOR THIS MEETING HAVE BEEN POSTED IN ACCORDANCE WITH NRS 241 AT THE FOLLOWING LOCATIONS:

Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706

Nevada Division of Insurance, 2501 E. Sahara Avenue, Suite 302, Las Vegas, Nevada 89104

Nevada State Legislative Building, 401 S. Carson Street, Carson City, Nevada 89701

Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101

Blasdel State Office Building, 209 E. Musser Street, Carson City, Nevada 89701

Nevada State Capitol, 101 N. Carson Street, Carson City, Nevada 89701

Nevada Dept. of Employment, Training and Rehabilitation, 2800 E. Saint Louis Avenue, Las Vegas, Nevada 89104

The State of Nevada Website (www.nv.gov)

The Nevada State Legislature Website (www.leg.state.nv.us)

The Nevada Division of Insurance Website (www.doi.nv.gov)

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R005-16

February 16, 2016

EXPLANATION – Matter in *italics* is new, matter in brackets [~~omitted material~~] is material to be omitted.

AUTHORITY: §1, NRS 679B.130, 691C.340 and 691C.430.

A REGULATION relating to insurance; repealing a provision relating to policies of credit personal property insurance; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This regulation repeals provisions which require an insurer that provides credit personal property insurance to report its experience data annually to the Commissioner of Insurance. (NAC 691C.190)

Section 1. NAC 691C.190 is hereby repealed.

TEXT AND LEADLINE OF REPEALED SECTION

691C.190 Annual reports of experience data; review of recommended premium rates by Commissioner. (NRS 679B.130, 691C.340, 691C.430) An insurer that provides credit personal property insurance, including, without limitation, guaranteed asset protection insurance, shall report its experience data annually to the Commissioner, on a form prescribed by the Commissioner. The initial such report must be submitted by the insurer on or before July 1, 2008. The Commissioner will use this data to determine annually whether the rates set forth in

NAC 691C.110 to 691C.170, inclusive, are reasonable in relation to the benefits provided. If the Commissioner determines that those rates are not reasonable in any given year, the Commissioner will adopt new rates.

STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE

Determination of Necessity of Small Business Impact Statement

LCB File No. R005-16

This proposed regulation repeals NAC 691C.190, which requires credit personal property insurers to report experience data annually to the Commissioner.

EFFECTIVE DATE OF REGULATION:
Upon filing with the Nevada Secretary of State

1. BACKGROUND

NAC 691C.190 was adopted in 2007 to provide for the collection of credit personal property insurance data to assist the Commissioner in the establishment of reasonable rates as required by NRS 691C.340. Since that time, the volume of credit personal property insurance written in Nevada, other than Guaranteed Asset Protection (GAP) Insurance, has been negligible. With the recent passage of Assembly Bill 253, which allows lenders to sell guaranteed asset protection waivers, we expect the volume of GAP insurance to decline to the same level. As such it will not be possible to glean meaningful data from these reports. Therefore, repeal of NAC 691C.190 is appropriate.

2. DESCRIPTION OF SOLICITATION

N/A

3. DOES THE PROPOSED REGULATION IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A SMALL BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A SMALL BUSINESS? (NRS 233B.0608.1)

NO (answer #4) YES (skip to #5)

4. HOW WAS THAT CONCLUSION REACHED? (NRS 233B.0608.3)

This proposed regulation removes an existing requirement. It does not impose any burden and, in fact, lessens them.

I, Barbara D. Richardson, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses, and that the information contained in the statement above is accurate. (NRS 233B.0608.3)

3/15/16
(DATE)


BARBARA D. RICHARDSON
Commissioner of Insurance

Small Business Impact Statement

LCB File No. R005-16

5. SUMMARY OF COMMENTS RECEIVED FROM SMALL BUSINESSES (NRS 233B.0609.1.a)

N/A

6. ESTIMATED ECONOMIC EFFECT ON SMALL BUSINESSES THE REGULATION IS TO REGULATE (NRS 233B.0609.1.c)

N/A

7. METHODS CONSIDERED TO REDUCE IMPACT ON SMALL BUSINESSES (NRS 233B.0609.1.d)

N/A

8. ESTIMATED COST OF ENFORCEMENT (NRS 233B.0609.1.e)

N/A

9. FEE CHANGES (NRS 233B.0609.1.f)

N/A

10. DUPLICATIVE PROVISIONS (NRS 233B.0609.1.g)

N/A

11. HOW WAS THE ANALYSIS CONDUCTED? (NRS 233B.0609.1.b)

N/A

12. REASONS FOR CONCLUSIONS (NRS 233B.0609.1.h)

N/A

I, Barbara D. Richardson, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, the information contained in the statement above was prepared properly and is accurate. (NRS 233B.0609.2)

(DATE)

BARBARA D. RICHARDSON
Commissioner of Insurance

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R006-16

February 16, 2016

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 679B.130 and 686B.030.

A REGULATION relating to insurance; revising certain provisions relating to filings an insurer is required to submit to the Division of Insurance of the Department of Business and Industry; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes the Commissioner of Insurance to adopt regulations necessary for the administration of the Nevada Insurance Code. (NRS 679B.130) Existing regulations interpret subsection 2 of NRS 686B.030 as requiring an insurer to submit certain filings to the Division of Insurance of the Department of Business and Industry. (NAC 686B.505) This regulation defines “force-placed insurance” and provides that the Commissioner will interpret subsection 2 of NRS 686B.030 as requiring an insurer to file with the Division its rules, rates, policy coverage forms, endorsements, application forms and declarations pages for force-placed insurance.

Section 1. NAC 686B.505 is hereby amended to read as follows:

686B.505 **1.** The Commissioner will interpret subsection 2 of NRS 686B.030 as requiring the following filings:

~~{1}~~ **(a)** Policy coverage forms, endorsements, application forms and declarations pages for all business and commercial insurance.

~~{2}~~ **(b)** Rules, rates, policy coverage forms, endorsements, application forms and declarations pages for the following types of insurance:

~~{a}~~ **(1)** Dwelling, up to 4 units;

~~{b}~~ **(2)** Personal inland marine, including, but not limited to, personal watercraft;

~~(e)~~ (3) Vehicle mechanical breakdown; ~~and~~

~~(d)~~ (4) Insurance for home protection which is regulated pursuant to NRS 690B.100 to 690B.180, inclusive ~~(f)~~; *and*

(5) *Force-placed insurance.*

2. *As used in this section, “force-placed insurance” means single interest or dual interest insurance that is purchased by a creditor after a transaction:*

(a) *For coverage against loss, expense or damage to the property used as collateral as a result of fire, theft, collision or other risk of loss that would impair the interest of the creditor or adversely affect the value of the collateral;*

(b) *In accordance with the terms of the credit agreement as a result of the debtor’s failure to provide the required insurance; and*

(c) *The cost of which is charged to the debtor.*

STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE

Determination of Necessity of Small Business Impact Statement

LCB File No. R006-16

This proposed regulation clarifies that force-placed auto and homeowners insurance are lines for which rates and rules must be filed.

EFFECTIVE DATE OF REGULATION:
July 1, 2016

1. BACKGROUND

Force-placed insurance has been a national concern over the last several years with the premiums for the coverage considerably higher than if the same coverage were purchased by the borrower. The insurance is subject to "reverse competition" whereby insurers do not compete by offering the best price but by profit sharing with the lender placing the coverage. This can result in premiums much higher than loss ratios would warrant. This regulation would enable the Commissioner to determine whether rates were adequate, not excessive, and not unfairly discriminatory.

2. DESCRIPTION OF SOLICITATION

A survey was sent to all companies believed to write force-placed insurance in Nevada asking the anticipated impact of the regulation.

3. DOES THE PROPOSED REGULATION IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A SMALL BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A SMALL BUSINESS? (NRS 233B.0608.1)

NO (answer #4) YES (skip to #5)

4. HOW WAS THAT CONCLUSION REACHED? (NRS 233B.0608.3)

A survey was sent to the twenty companies that the Division believed might write force-placed insurance in Nevada. Six of the twenty employed 150 or fewer employees and wrote force-placed insurance in Nevada. Of those six, only two stated they did not already file rates and rules for force-placed insurance with the Division. Of those two, one stated that a requirement to file rates would not impose a material burden on the company. The remaining company suggested the potential for lost revenues due to a delay in getting a new product to market.

I, Barbara D. Richardson, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses, and that the information contained in the statement above is accurate. (NRS 233B.0608.3)

3/15/16

(DATE)



BARBARA D. RICHARDSON
Commissioner of Insurance

Small Business Impact Statement

LCB File No. R006-16

5. SUMMARY OF COMMENTS RECEIVED FROM SMALL BUSINESSES (NRS 233B.0609.1.a)

N/A

6. ESTIMATED ECONOMIC EFFECT ON SMALL BUSINESSES THE REGULATION IS TO REGULATE (NRS 233B.0609.1.c)

N/A

7. METHODS CONSIDERED TO REDUCE IMPACT ON SMALL BUSINESSES (NRS 233B.0609.1.d)

N/A

8. ESTIMATED COST OF ENFORCEMENT (NRS 233B.0609.1.e)

N/A

9. FEE CHANGES (NRS 233B.0609.1.f)

N/A

10. DUPLICATIVE PROVISIONS (NRS 233B.0609.1.g)

N/A

11. HOW WAS THE ANALYSIS CONDUCTED? (NRS 233B.0609.1.b)

N/A

12. REASONS FOR CONCLUSIONS (NRS 233B.0609.1.h)

N/A

I, Barbara D. Richardson, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, the information contained in the statement above was prepared properly and is accurate. (NRS 233B.0609.2)

(DATE)

BARBARA D. RICHARDSON
Commissioner of Insurance

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R007-16

February 22, 2016

EXPLANATION – Matter in *italics* is new, matter in brackets ~~emitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 679B.030, 690C.180 and 690C.300.

A REGULATION relating to insurance; defining the term “incidental payment of indemnity” for the purpose of interpreting provisions of the Nevada Insurance Code relating to service contracts; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes the Commissioner of Insurance to adopt regulations to carry out the provisions of the Nevada Insurance Code. (NRS 679B.130) This regulation defines the term “incidental payment of indemnity” for the purpose of interpreting provisions of the Code relating to service contracts.

Section 1. Chapter 690C of NAC is hereby amended by adding thereto a new section to read as follows:

As used in NRS 690C.080, the term “incidental payment of indemnity” includes, without limitation, payment for the:

- 1. Repair or replacement of a tire or wheel on a motor vehicle damaged as a result of coming into contact with a road hazard;*
- 2. Removal of a dent, ding or crease on a motor vehicle that is repairable using a process of paintless dent removal without affecting the existing paint finish or removing the body panels of the motor vehicle or sanding, bonding or painting the existing finish of the motor vehicle;*

3. Repair of a chip or crack in the windshield or replacement of the windshield of a motor vehicle damaged as a result of a road hazard; and

4. Replacement of a key or key fob of a motor vehicle if the key or key fob becomes inoperable or is lost or stolen.

**STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE**

Determination of Necessity of Small Business Impact Statement

LCB File No. R007-16

This proposed regulation amends chapter NAC 690C of NAC to clarify what benefits may be included in a service contract.

EFFECTIVE DATE OF REGULATION:
Upon filing with the Nevada Secretary of State

1. BACKGROUND

NRS 690C.080 includes in the definition of a service contract, "A contract that includes a provision for incidental payment of indemnity under limited circumstances, including, without limitation, towing, rental and emergency road service." This proposed regulation would add to those examples: tire and wheel replacement, paintless dent removal, windshield repair/replacement, and key fob replacement. These coverages seem to be qualitatively similar to the towing, rental and emergency road service already specified in statute and may not always be available as a stand-alone insurance coverage or as part of a motor vehicle liability policy.

2. DESCRIPTION OF SOLICITATION

N/A

3. DOES THE PROPOSED REGULATION IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A SMALL BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A SMALL BUSINESS? (NRS 233B.0608.1)(circle one)

NO (answer #4) YES (skip to #5)

4. HOW WAS THAT CONCLUSION REACHED? (NRS 233B.0608.3)

This proposed regulation clarifies and expands what items a service contract provider may choose to offer in a service contract. It does not impose any new burden on providers.

I, Barbara D. Richardson, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses, and that the information contained in the statement above is accurate. (NRS 233B.0608.3)

(DATE)

3/15/16

BARBARA D. RICHARDSON
Commissioner of Insurance

Small Business Impact Statement

LCB File No. R007-16

5. SUMMARY OF COMMENTS RECEIVED FROM SMALL BUSINESSES (NRS 233B.0609.1.a)

N/A

6. ESTIMATED ECONOMIC EFFECT ON SMALL BUSINESSES THE REGULATION IS TO REGULATE (NRS 233B.0609.1.c)

N/A

7. METHODS CONSIDERED TO REDUCE IMPACT ON SMALL BUSINESSES (NRS 233B.0609.1.d)

N/A

8. ESTIMATED COST OF ENFORCEMENT (NRS 233B.0609.1.e)

N/A

9. FEE CHANGES (NRS 233B.0609.1.f)

N/A

10. DUPLICATIVE PROVISIONS (NRS 233B.0609.1.g)

N/A

11. HOW WAS THE ANALYSIS CONDUCTED? (NRS 233B.0609.1.b)

N/A

12. REASONS FOR CONCLUSIONS (NRS 233B.0609.1.h)

N/A

I, Barbara D. Richardson, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, the information contained in the statement above was prepared properly and is accurate. (NRS 233B.0609.2)

(DATE)

BARBARA D. RICHARDSON
Commissioner of Insurance

**PROPOSED REGULATION OF
THE COMMISSIONER OF INSURANCE**

LCB File No. R008-16

February 22, 2016

EXPLANATION – Matter in *italics* is new, matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 679B.130 and 690B.023, as amended by section 4 of Assembly Bill No. 143, chapter 171, Statutes of Nevada 2015, at page 798, and section 263 of Senate Bill No. 67, chapter 522, Statutes of Nevada 2015, at page 3485.

A REGULATION relating to insurance; revising various provisions relating to evidence of insurance; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires an insurer who provides a contract of insurance for the operation of a motor vehicle to provide evidence of insurance to the insured in a form approved by the Commissioner of Insurance. (NRS 690B.023, as amended by section 4 of Assembly Bill No. 143, chapter 171, Statutes of Nevada 2015, at page 798, and section 263 of Senate Bill No. 67, chapter 522, Statutes of Nevada 2015, at page 3485) Existing regulations set forth the standards for a card constituting evidence of insurance. (NAC 690B.060) This regulation revises provisions relating to standards for and content of evidence of insurance to include evidence of insurance provided in an electronic format that can be displayed on a mobile electronic device.

Section 1. NAC 690B.060 is hereby amended to read as follows:

690B.060 ~~{A card constituting evidence}~~ *Evidence* of insurance must ~~{conform}~~ :

1. Conform to the following standards:

~~{1. The}~~

(a) If the evidence of insurance is a card, the card must be not larger than 8 1/2 x 5 1/2 inches, ~~{and}~~ not smaller than 3 3/8 x 2 1/8 inches ~~{}~~ **and printed in not less than 8-point bold type; or**

(b) If the evidence of insurance is in an electronic format, the evidence of insurance must be in a format that can be displayed on a mobile electronic device.

~~† 2. The card must contain:~~

~~—(a) In not less than 8 point bold type the:~~

~~—(1) Name} **Contain:**~~

(a) The name of the policyholder;

~~{(2) Name}~~

(b) The name of the insurer;

~~{(3) Applicable}~~

(c) The applicable company code issued by the National Association of Insurance Commissioners or any successor organization;

~~{(4) Year;}~~

(d) The year, make and complete identification number of the insured vehicle;

~~{(5) Number}~~

(e) The number of the policy; ~~†and~~

~~—(6) Term}~~

(f) The term of the insurance, including, without limitation, the day, month and year on which the policy becomes effective and expires ~~†~~

~~—(b)} ;~~

(g) A company ~~{logotype printed on the card or a watermark}~~ **logo** or other ~~{embedded}~~ marking which makes the card difficult to counterfeit, reproduce, or alter ~~†~~

~~—(e)} ;~~

(h) A telephone number to verify coverage or report a claim ~~†~~

~~—(d) ;~~

(i) The statement “This card has been approved by the Nevada Commissioner of Insurance

~~.”~~

~~—(e) A] ”; and~~

(j) *If the evidence of insurance is a temporary card, a* statement indicating that the card is not valid for more than a specific number of days, not to exceed 60 days . ~~., if a temporary card.]~~

STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE

Determination of Necessity of Small Business Impact Statement

LCB File No. R008-16

This proposed regulation amends the format requirements for the evidence of automobile liability insurance to allow for electronic evidence of insurance.

EFFECTIVE DATE OF REGULATION:
Upon filing with the Nevada Secretary of State

1. BACKGROUND

Assembly Bill 143, which became effective October 1, 2015, allows insurers to provide the evidence of automobile insurance in an electronic format that can be displayed on a portable electronic device. NAC 690B.060 provides requirements for the evidence of insurance that would be applicable only to a physical card.

2. DESCRIPTION OF SOLICITATION

N/A

3. DOES THE PROPOSED REGULATION IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A SMALL BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A SMALL BUSINESS? (NRS 233B.0608.1)(circle one)

NO (answer #4)

YES (skip to #5)

4. HOW WAS THAT CONCLUSION REACHED? (NRS 233B.0608.3)

This proposed regulation does not impose new requirements but clarifies requirements for insurers who choose to provide electronic evidence of automobile insurance, which may actually be less of an expense for insurers.

I, Barbara D. Richardson, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses, and that the information contained in the statement above is accurate. (NRS 233B.0608.3)

3/15/16
(DATE)



BARBARA D. RICHARDSON
Commissioner of Insurance

Small Business Impact Statement

LCB File No. R008-16

5. SUMMARY OF COMMENTS RECEIVED FROM SMALL BUSINESSES (NRS 233B.0609.1.a)

N/A

6. ESTIMATED ECONOMIC EFFECT ON SMALL BUSINESSES THE REGULATION IS TO REGULATE (NRS 233B.0609.1.c)

N/A

7. METHODS CONSIDERED TO REDUCE IMPACT ON SMALL BUSINESSES (NRS 233B.0609.1.d)

N/A

8. ESTIMATED COST OF ENFORCEMENT (NRS 233B.0609.1.e)

N/A

9. FEE CHANGES (NRS 233B.0609.1.f)

N/A

10. DUPLICATIVE PROVISIONS (NRS 233B.0609.1.g)

N/A

11. HOW WAS THE ANALYSIS CONDUCTED? (NRS 233B.0609.1.b)

N/A

12. REASONS FOR CONCLUSIONS (NRS 233B.0609.1.h)

N/A

I, BARBARA D. RICHARDSON, Commissioner of Insurance for the State of Nevada, certify that, to the best of my knowledge or belief, the information contained in the statement above was prepared properly and is accurate. (NRS 233B.0609.2)

(DATE)

BARBARA D. RICHARDSON
Commissioner of Insurance