

**NOTICE OF INTENT TO ACT UPON REGULATION
AND HEARING AGENDA**

Notice of Hearing for the Adoption, Amendment or Repeal of Regulations of
The Department of Business and Industry, Division of Insurance

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”), (775) 687-0700, will hold a public hearing at **9:30 a.m. on May 25, 2018**, in the 1st Floor Hearing Room, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. Interested persons may also participate through a simultaneous videoconference conducted in the 4th Floor Nevada Room at the Nevada State Business Center/Division of Insurance, 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102. The purpose of the hearing is to receive comments from all interested persons regarding the adoption, amendment or repeal of regulations pertaining to chapter 684A of the Nevada Administrative Code (“NAC”).

The following information is provided pursuant to the requirements of Nevada Revised Statutes (“NRS”) 233B.0603 and the directives of the Governor:

LCB File No. R028-18. Adjuster Licensing and Education.

A regulation relating to insurance; prescribing the prelicensing education requirements for applicants for a license as an adjuster or an associate adjuster; prescribing certain continuing education requirements for renewal of a license as an adjuster held by an individual; prescribing the requirements for the approval of courses of instruction for prelicensing education and continuing education and for the approval of instructors of such courses of instruction; and providing other matters properly relating thereto.

- (1) Why is the regulation necessary and what is its purpose?

Assembly Bill 12 was passed by the 2017 Nevada Legislature and signed into law by Governor Sandoval on May 12, 2017. That bill added language from the NAIC Independent Adjuster Model Law, which includes a requirement of successfully completing a pre-licensing course of education prior to taking the adjuster’s licensing examination, and 24 hours of continuing education prior to the renewal of an adjuster’s license. This regulation is needed to provide the requirements for approval of adjuster education courses along with their instructors. It also includes requirements for the content of the courses and the verification of completion that must be provided to the Nevada Division of Insurance.

- (2) What are the terms or substance of the proposed regulation?

This proposed regulation includes requirements for the completion of prelicensing education for applicants for a Nevada adjuster’s license, rules for the approval of courses of instruction and continuing education, including the approval of the instructors for such courses. The proposed regulation also includes the required documents that must be provided for the courses, grounds for denying approval of the courses, limitations on hours of instruction, qualifications of instructors,

approval of correspondence, extension or self-study courses, and subject matter to be included in the courses. Further this regulation addresses suspension or revocation of approval of courses, along with penalties for providing the Division with false or fraudulent documents. The regulation is needed so the Nevada Division of Insurance can implement the systems and work with providers of both prelicensing and continuing education to be able to meet the requirements of AB 12, which becomes law as of July 1, 2018.

(3) What is the anticipated impact of the regulation on the problem(s)?

This regulation will create the rules that will allow the Division to review and approve education providers, so the Division can have CE and prelicensing vendors in place by the July 1, 2018 effective date of the new adjuster licensing requirements.

(4) Do other regulations address the same problem(s)?

There are no other regulations that address the licensing requirements for adjusters as mandated by AB 12.

(5) Are alternate forms of regulation sufficient to address the problem(s)?

There are no alternative forms of regulation sufficient to address the requirements of AB 12.

(6) What value does the regulation have to the public?

This regulation sets up the framework to help ensure that Nevada adjusters have the proper knowledge and education to pass the licensing examination, and continue to be current in their training and education through the continuing education that is required for their license renewal. This will benefit Nevada insurance consumers with better trained and educated adjusters.

(7) What is the anticipated economic benefit of the regulation?

a. Public

1. Immediate: *None.*
2. Long Term: *None.*

b. Insurance Business

1. Immediate: *None.*
2. Long Term: *None.*

c. Small Businesses

1. Immediate: *None.*
2. Long Term: *None.*

d. Small Communities

1. Immediate: *None.*
2. Long Term: *None.*

- e. Government Entities
 - 1. Immediate: *None.*
 - 2. Long Term: *None.*

(8) What is the anticipated adverse impact, if any?

- a. Public
 - 1. Immediate: *None.*
 - 2. Long Term: *None.*
- b. Insurance Business
 - 1. Immediate: *None.*
 - 2. Long Term: *None.*
- c. Small Businesses
 - 1. Immediate: *None.*
 - 2. Long Term: *None.*
- d. Small Communities
 - 1. Immediate: *None.*
 - 2. Long Term: *None.*
- e. Government Entities
 - 1. Immediate: *None.*
 - 2. Long Term: *None.*

(9) What is the anticipated cost of the regulation, both direct and indirect?

- a. Enactment: *None.*
- b. Enforcement: *None.*
- c. Compliance: *None.*

(10) Does the regulation establish a new fee or increase an existing fee?

The regulation does not establish a new fee or increase an existing fee.

(11) Provide a statement which identifies the methods used by the agency in determining the impact of the proposed regulation on a small business, prepared pursuant to subsection 3 of NRS 233B.0608.

Please see attached Small Business Impact Statement.

(12) Provide a description of any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, state the name

of the regulating federal agency.

There is no duplication of regulations of any other state or local governmental agency.

(13) If the regulation is required pursuant to federal law, provide a citation and description of the federal law.

Not applicable, as the regulation is not required pursuant to federal law.

(14) If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, provide a summary of such provisions.

Not applicable, as there are not more stringent provisions.

Persons wishing to comment upon the proposed actions of the Division may appear at the scheduled public hearing or may address their comments, data, views or arguments, in written form, to the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. **Written submissions must be received by the Division on or before May 7, 2018.** If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be adopted, amended or repealed will be on file at the State Library, 100 North Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation will be available at the offices of the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, and 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://leg.state.nv.us/register/>. Copies of this notice and the proposed regulation will be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

Notice of the hearing was provided via electronic means to all persons on the agency's e-mail list for administrative regulations, and this Notice of Intent to Act Upon Regulation was posted to the agency's Internet Web site at <http://doi.nv.gov/> and was provided to or posted at the following locations:

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

Legislative Building
401 South Carson Street
Carson City, Nevada 89701

Blasdel Building
209 East Musser Street
Carson City, Nevada 89701

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

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

Churchill County Library
553 South Main Street
Fallon, Nevada 89406

Elko County Library
720 Court Street
Elko, Nevada 89801

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

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

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

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

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

Nevada Division of Insurance
3300 West Sahara Avenue, Suite 275
Las Vegas, Nevada 89102

Nevada State Business Center
3300 West Sahara Avenue
Las Vegas, Nevada 89102

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

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

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

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

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

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

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

Lyon County Library
20 Nevin Way
Yerington, Nevada 89447

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

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 would like additional information about the proposed regulation may contact Susan Bell, Legal Secretary, at (775) 687-0704, or via e-mail to suebell@doi.nv.gov.

Members of the public who are disabled and require special accommodations or assistance at the hearing are requested to notify the Commissioner's secretary, in writing, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

DATED this 18th day of April, 2018.


BARBARA D. RICHARDSON
Commissioner of Insurance

HEARING AGENDA

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

May 25, 2018 • 9:30 a.m.

Location of Hearing:

Nevada 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:

Nevada Division of Insurance
3300 W. Sahara Ave., 4th Floor Nevada Room
Las Vegas, NV 89102
(Division Offices located in Suite 275)

1. Open Hearing: R028-18.
2. Presentation, Discussion and Adoption of Proposed Regulation. (For Possible Action)

LCB File No. R028-18. Adjuster Licensing and Education.

A regulation relating to insurance; prescribing the preclicensing education requirements for applicants for a license as an adjuster or an associate adjuster; prescribing certain continuing education requirements for renewal of a license as an adjuster held by an individual; prescribing the requirements for the approval of courses of instruction for preclicensing education and continuing education and for the approval of instructors of such courses of instruction; and providing other matters properly relating thereto.

3. Public Comment.
4. Close Hearing: R028-18.
5. Adjournment.

Supporting public material for this hearing may be requested from Susan Bell, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, (775) 687-0704, or suebell@doi.nv.gov.

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; items may be pulled or removed from the agenda at any time; and, discussion relating to an item may be delayed or continued 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 secretary, in writing, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

NOTICES FOR THIS HEARING 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, 3300 W. Sahara Avenue, Suite 275, Las Vegas, Nevada 89102
Nevada State Business Center, 3300 W. Sahara Avenue, Las Vegas, Nevada 89102
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)

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

**Determination of Necessity - Small Business Impact Statement
NRS 233B.0608(1)**

A REGULATION relating to insurance, providing for prelicensing education requirements for applicants for a license as an adjuster; approval of course of instruction and instructor; record retention and timely filing of compliance documentation; and continuing education and the requirements related thereto.

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

1. BACKGROUND.

Assembly Bill 12 was passed by the 2017 Nevada Legislature and signed into law by Governor Sandoval on May 12, 2017. That bill added language from the NAIC Independent Adjuster Model Law, which includes a requirement of successfully completing a pre-licensing course of education prior to taking the adjuster's licensing examination, and 24 hours of continuing education prior to the renewal of an adjuster's license. This regulation is needed to provide the requirements for approval of these courses and their instructors, the content of the courses, and the verification of completion that must be provided to the Nevada Division of Insurance.

2. DESCRIPTION OF SOLICITATION SHOWING A CONCERTED EFFORT. NRS 233B.0608(1).

The impact of this regulation on small businesses was analyzed by the Licensing Section of the Nevada Division of Insurance. A solicitation of this regulation was not made with small businesses in Nevada, as none of the proposed changes in this regulation will impact small businesses. The changes proposed in this regulation provide rules related to the new adjuster licensing requirements made in accordance with the changes to Nevada Revised Statutes pursuant to Assembly Bill 12, passed by the 2017 Nevada Legislature and signed into law by Governor Sandoval on May 12, 2017.

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 YES

4. HOW WAS THAT CONCLUSION REACHED? NRS 233B.0608(3).

The Licensing Section of the Nevada Division of Insurance analyzed this proposed regulation and determined that this regulation will not add additional costs to small businesses in the state of Nevada. The regulation is imparting the rules and requirements for education providers to adjusters and licensing requirements for Nevada adjusters.

I, BARBARA D. RICHARDSON, Commissioner of Insurance for the State of Nevada, hereby certify 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 this statement was prepared properly and the information contained herein is accurate. (NRS 233B.0608(3))

4/18/18
(DATE)


BARBARA D. RICHARDSON
Commissioner of Insurance

Small Business Impact Statement
NRS 233B.0608(2)-(4) and 233B.0609

A REGULATION relating to insurance, providing for prelicensing education requirements for applicants for a license as an adjuster; approval of course of instruction and instructor; record retention and timely filing of compliance documentation; and continuing education and the requirements related thereto.

1. SUMMARY OF COMMENTS RECEIVED FROM SMALL BUSINESSES. NRS 233B.0609(1)(a).

No comments were received from small businesses regarding this proposed regulation. The Licensing Section of the Nevada Division of Insurance analyzed this proposed regulation and determined that this regulation will not add additional costs to small businesses in the state of Nevada. The regulation is imparting the rules and requirements for education providers to adjusters and licensing requirements for Nevada adjusters.

Other interested parties may receive a copy of this summary by contacting Susan Bell, Legal Secretary, Nevada Division of Insurance, at (775) 687-0704 or suebell@doi.nv.gov.

2. HOW WAS THE ANALYSIS CONDUCTED? NRS 233B.0609(1)(b).

The impact of this regulation on small businesses was analyzed by the Licensing Section of the Nevada Division of Insurance. A solicitation of this regulation was not made with small businesses in Nevada, as none of the proposed changes in this regulation will impact small businesses. The changes proposed in this regulation provide rules related to the new adjuster licensing requirements made in accordance with the changes to Nevada Revised Statutes pursuant to Assembly Bill 12, passed by the 2017 Nevada Legislature and signed into law by Governor Sandoval on May 12, 2017.

3. ESTIMATED ECONOMIC EFFECT ON SMALL BUSINESSES THE REGULATION IS TO REGULATE. NRS 233B.0609(1)(c).

This proposed regulation is not expected to create either an adverse or beneficial effect on any of the small businesses in Nevada, including those regulated by the Nevada Division of Insurance. New adjuster

license requirements, along with prelicensing education and continuing education requirements, were included in Assembly Bill 12. This regulation does not add new costs or expenses for small businesses.

4. METHODS CONSIDERED TO REDUCE IMPACT ON SMALL BUSINESSES. NRS 233B.0609(1)(d).

No methods were considered, as there are no new costs or expenses being added as a result of this regulation.

5. ESTIMATED COST OF ENFORCEMENT. NRS 233B.0609(1)(e).

None.

6. FEE CHANGES. NRS 233B.0609(1)(f).

No new fees are created as a result of this regulation.

7. DUPLICATIVE PROVISIONS. NRS 233B.0609(1)(g).

This regulation does not duplicate any existing provision in federal, state, or local laws.

8. REASONS FOR CONCLUSIONS. NRS 233B.0609(1)(h).

The Licensing Section of the Nevada Division of Insurance analyzed this proposed regulation and determined that this regulation will not add additional costs to small businesses in the state of Nevada. The regulation is imparting the rules and requirements for education providers to adjusters and licensing requirements for Nevada adjusters.

I, BARBARA D. RICHARDSON, Commissioner of Insurance for the State of Nevada, hereby certify 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 this statement was prepared properly and the information contained herein is accurate. (NRS 233B.0609(2))

4/18/18
(DATE)


BARBARA D. RICHARDSON
Commissioner of Insurance

**PROPOSED REGULATION OF
THE COMMISSIONER OF INSURANCE**

LCB File No. R028-18

April 17, 2018

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

AUTHORITY: §§1-7, 17-27 and 28, NRS 679B.130 and section 10 of Assembly Bill No. 12, chapter 40, Statutes of Nevada 2017, at page 167 (NRS 684A.235); §§8-16, NRS 679B.130, 684A.070 and Section 10 of Assembly Bill No. 12, chapter 40, Statutes of Nevada 2017, at page 167 (NRS 684A.235).

A REGULATION relating to insurance; prescribing the prelicensing education requirements for applicants for a license as an adjuster or an associate adjuster; prescribing certain continuing education requirements for renewal of a license as an adjuster held by an individual; prescribing the requirements for the approval of courses of instruction for prelicensing education and continuing education and for the approval of instructors of such courses of instruction; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Commissioner of Insurance to adopt reasonable regulations for the administration of the Nevada Insurance Code. (NRS 679B.130) Existing law also: (1) prohibits a person, with certain limited exceptions, from acting as or holding himself or herself out to be an adjuster or an associate adjuster without a license; (2) requires a person to successfully complete a prelicensing course of study as a prerequisite for issuance of a license as an adjuster; and (3) requires an individual who holds a license as an adjuster, with certain limited exceptions, to complete a minimum number of hours of courses of continuing education as a prerequisite to renewal of his or her license. (NRS 684A.040, 684A.070; section 7 of Assembly Bill No. 12, chapter 40, Statutes of Nevada 2017, at page 166 (NRS 684A.135))

Existing law authorizes the Commissioner to license an individual as an independent adjuster, a public adjuster, a company adjuster or a staff adjuster. (NRS 684A.050) Existing law: (1) further authorizes the Commissioner to promulgate reasonable regulations relating to adjusters; and (2) requires the Commissioner to adopt regulations establishing a prelicensing course of study for an adjuster. (Section 10 of Assembly Bill No. 12, chapter 40, Statutes of Nevada 2017, at page 167 (NRS 684A.235); NRS 684A.070)

Section 8 of this regulation requires an applicant for a license as an adjuster or as an associate adjuster to complete prelicensing education for the line of insurance for which the applicant is applying. **Sections 9-16** of this regulation establish requirements relating to such prelicensing

education, including, without limitation, requirements for approval of courses of instruction for prelicensing education and requirements for approval of instructors of such courses of instruction. **Section 17** of this regulation requires an individual who holds a license as an adjuster to complete continuing education related to the line or lines of insurance for which the licensee holds a license as an adjuster as a prerequisite for renewal of his or her license. **Sections 18-26** of this regulation establish requirements relating to such continuing education, including, without limitation, requirements for the approval of courses of instruction for continuing education and requirements for the approval of instructors of such courses of instruction.

Section 27 of this regulation revises the passing score which an applicant for a license as an adjuster must obtain in order to pass the licensing examination.

Section 1. Chapter 684A of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 26, inclusive, of this regulation.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Designated representative” means:*

1. Any nongovernmental entity with which the Commissioner contracts pursuant to NRS 684A.120 to perform ministerial functions associated with prelicensing, licensing or continuing education programs; or

2. An employee of the Division who has been designated by the Commissioner to act on behalf of the Commissioner with regard to prelicensing, licensing or continuing education programs.

Sec. 4. *“Instructor” means the person who will be responsible for teaching the material of the course to the participants of the course. The instructor may be, but is not required to be, the same person as the sponsor.*

Sec. 5. *“License as an adjuster” means a license as an independent adjuster, a public adjuster, a company adjuster or a staff adjuster.*

Sec. 6. "Sponsor" means the person seeking approval for a course of instruction pursuant to section 9 of this regulation.

Sec. 7. "Unsuitable person" has the meaning ascribed to it in NAC 679B.039.

Sec. 8. In addition to the requirements of chapter 684A of NRS, an applicant for a license as an adjuster or an associate adjuster must complete a course of instruction approved by the Commissioner or a designated representative for the line of insurance for which the applicant is applying. The course must have been completed within 2 years immediately preceding the date of the application for the license.

Sec. 9. 1. A course of instruction and the instructor for the course must be approved by the Commissioner or a designated representative before the course is offered to a prospective applicant for a license as an adjuster. The sponsor of the course must submit to the Commissioner or a designated representative:

(a) An application for approval of the instructor, specifying his or her experience and qualifications;

(b) An application for approval of the course, including, without limitation, a detailed outline of the course and a description of the scale to be used in grading the persons taking the course;

(c) A schedule of the times the course is to be taught; and

(d) A certification that the content of the course complies with sections 8 to 16, inclusive, of this regulation.

2. The Commissioner or a designated representative will not approve a course which:

(a) Substantially involves techniques for taking the licensing examination;

(b) Is directed toward teaching techniques of selling, soliciting or negotiating insurance, motivation or finding applicants for insurance;

(c) Is substantially a course to teach clerical skills; or

(d) Does not meet the requirements of sections 8 to 16, inclusive, of this regulation.

3. An approved course must not have more than 8 hours of instruction in the classroom each day.

4. The Commissioner or a designated representative will grant or deny approval of each course in writing within 60 days after receiving the information required pursuant to subsection 1.

5. Any material change in the content of a course approved by the Commissioner or a designated representative must be submitted for approval before presentation of the course.

Sec. 10. 1. An instructor must:

(a) Have at least 5 years of relevant experience in the topic to be taught; or

(b) Be approved by the Nevada System of Higher Education to teach insurance within that System.

2. Not more than one-third of any course approved by the Commissioner or a designated representative may be taught by:

(a) A person who does not satisfy the requirements of subsection 1;

(b) Videotapes or audiotapes; or

(c) Any other mechanical teaching aids.

3. For the purposes of this section, “mechanical teaching aids” includes, without limitation, digital or electronic versions of mechanical methods of instruction such as software

which presents a slideshow, video or audio recordings transmitted via the Internet and other similar methods of communication.

Sec. 11. 1. *A correspondence course, extension course or self-study course may be approved by the Commissioner or a designated representative if:*

(a) The course satisfies all the requirements of sections 8 to 16, inclusive, of this regulation;

(b) The student has quick and easy access to the sponsor or instructor of the course; and

(c) The student must pass a final examination at the end of the course to receive credit and the examination is directly monitored by the sponsor, the instructor or the sponsor's or instructor's representative.

2. The Commissioner or a designated representative will determine the equivalent number of hours of instruction in the classroom allowed for each approved correspondence course, extension course or self-study course.

Sec. 12. 1. *A course must consist of:*

(a) At least 5 hours of instruction in the classroom, or the equivalent in a self-study course approved by the Commissioner or a designated representative pursuant to section 11 of this regulation, in the provisions of title 57 of NRS and the regulations adopted pursuant thereto, at least one-half of which must cover the laws and regulations common to all lines of insurance; and

(b) At least 15 hours of instruction in the classroom covering:

(1) Principles and concepts of insurance in general;

(2) Basic principles and concepts of the line of insurance for which the applicant is applying;

- (3) The processes related to adjusting a claim;*
- (4) The ethical responsibilities of the adjuster; and*
- (5) Regulation by the government.*

2. The Commissioner or a designated representative will determine pursuant to section 11 of this regulation if a correspondence course, extension course or self-study course meets the requirements of subsection 1.

Sec. 13. *1. Each sponsor of a course shall maintain a complete record of each person attending the course. The record must:*

- (a) Indicate each person's attendance;*
- (b) Indicate his or her final grade in the course;*
- (c) Be available for review by the Commissioner or a designated representative upon request during normal business hours; and*
- (d) Be retained by the sponsor for not less than 4 years.*

2. Each sponsor of a course shall submit quarterly to the Commissioner or a designated representative for each course offered the name of the sponsor of the course, the date the course was completed and the name and grade of each person attending the course. If the course is a self-study course, the sponsor shall also submit the name and description of the course.

3. Except as otherwise provided in subsection 4, each sponsor of a course shall give to each person who successfully completes the course an original certificate of completion. The certificate must list the sponsor and instructor of the course, the grade obtained by the student in the course, the location, dates and times the course was offered and the fact that the course

was for an adjuster. An applicant for a license as an adjuster must submit the certificate of completion with his or her application for a license as an adjuster.

4. The sponsor of a course may comply with the provisions of subsection 3 by providing to a person who successfully completes a course an electronically generated certificate of completion, if the electronically generated certificate of completion cannot be altered in any way. The sponsor of a course that elects to issue an electronically generated certificate of completion shall upload the applicant's course completion directly to the Commissioner's education database as soon as practicable.

Sec. 14. 1. *The Commissioner or a designated representative thereof may suspend or revoke the approval of a course if he or she determines that:*

(a) The content of the course has been changed without notice to the Commissioner or designated representative and the change affects the number of hours of credit assigned to the course;

(b) A certificate of completion has been issued and hours were credited to a person who has not completed the course;

(c) A certificate of completion has not been issued and hours have not been credited when requested to a person who has successfully completed the course;

(d) The quality of instruction is inadequate;

(e) The content of the course does not meet the requirements for approval of a course set forth in section 12 of this regulation;

(f) The sponsor has not maintained the records required by section 13 of this regulation; or

(g) The sponsor has employed an unsuitable person as an instructor for the course.

2. The Commissioner or a designated representative may audit a course to ensure that the content and instructor meet the requirements of sections 8 to 16, inclusive, of this regulation.

3. If approval of a course is suspended or revoked by the Commissioner or a designated representative, approval may be reinstated at the discretion of the Commissioner or a designated representative and after the Commissioner or designated representative receives proof that the conditions giving rise to the suspension or revocation have been corrected.

Sec. 15. The Commissioner will refuse to issue a license as an adjuster to, or will suspend or revoke the license of, any person who knowingly submits to the Commissioner a false or fraudulent certificate of completion of a course of instruction.

Sec. 16. Every application, certificate or other form required to be filed with the Commissioner or a designated representative pursuant to sections 8 to 16, inclusive, of this regulation must be on a form approved by the Commissioner.

Sec. 17. To renew a license as an adjuster, each individual who holds a license as an adjuster must, except as otherwise provided in section 7 of Assembly Bill No. 12, chapter 40, Statutes of Nevada 2017, at page 166 (NRS 684A.135), certify that he or she has successfully completed 24 hours of approved continuing education within the 3-year period before the date of renewal described in NRS 684A.130. Pursuant to section 7 of Assembly Bill No. 12, chapter 40, Statutes of Nevada 2017, at page 166 (NRS 684A.135), three of the 24 hours of approved continuing education must be in a subject of ethics. The hours of continuing education must be related to the line or lines of insurance for which the licensee holds a license.

Sec. 18. 1. Any person who requests approval of a course of continuing education shall furnish to the Commissioner or to a designated representative thereof not later than 60 days before the beginning of the course:

- (a) An outline of the subject matter;*
 - (b) The method of presentation;*
 - (c) The qualifications of the instructor;*
 - (d) The number of classroom hours or, if the request is for approval of a correspondence course, a self-study course or an on-line computer course, the equivalent of classroom hours, and a written procedure for conducting a supervised final examination;*
 - (e) Any applicable fee established and required by the Commissioner; and*
 - (f) Any other information required by the Commissioner or a designated representative.*
- 2. Submission of the information required by subsection 1 must be on an application approved by the Commissioner.*
- 3. The course must be designed to increase the knowledge and understanding of the individual who holds a license as an adjuster regarding:*
- (a) Principles of adjusting insurance claims;*
 - (b) Applicable laws, rules and regulations concerning insurance;*
 - (c) Recent changes in adjusting principles or practices; and*
 - (d) The duties, ethics and responsibilities of the licensee.*
- 4. The Commissioner or a designated representative will not approve a course that teaches topics relating to personal improvement, motivation, time management, supportive office skills or other topics that are not related to increasing technical knowledge of insurance principles, coverage, laws or regulations. The provisions of this subsection do not limit the authority of the Commissioner or a designated representative to refuse to approve a course for noncompliance with any other provision of sections 17 to 26, inclusive, of this regulation.*

5. The Commissioner or a designated representative will not approve a course if the total number of classroom hours is less than 1 hour. One hour of credit will be awarded for each 50 minutes of instruction, or the equivalent in self-study approved pursuant to section 11 of this regulation.

6. The Commissioner or a designated representative will grant or deny approval of each course in writing within 60 days after receiving the information required pursuant to subsection 1.

7. Any material change in the content of a course approved by the Commissioner or a designated representative must be submitted for approval before presentation of the course.

8. A course that has been approved by the Commissioner or a designated representative is not required to be approved for any subsequent presentation of the course, except that the sponsor of the course shall submit a notice to the Commissioner or a designated representative, not later than 30 days before the course is offered, that includes the following information:

- (a) The name and number of the course;*
- (b) The name of the instructor of the course;*
- (c) The place where the course will be offered; and*
- (d) The date and time when the course will be offered.*

Sec. 19. 1. *A course of continuing education must not be advertised unless the Commissioner or a designated representative has approved the course in writing.*

2. Any advertisement of an approved course of continuing education must contain:

- (a) The title of the course;*
- (b) The name and address of the person approved to provide the course;*

(c) The lines of insurance for which the course has been approved;

(d) The number of hours of credit for continuing education for which the course has been approved; and

(e) A brief summary or outline of the contents of the course.

Sec. 20. *The sponsor of a course of continuing education approved by the Commissioner or a designated representative thereof shall:*

1. Provide a certificate of completion to each person who successfully completes the course. The certificate must be on a form approved by the Commissioner or a designated representative.

2. Maintain records of attendance and examination scores for not less than 4 years.

3. Make these records and scores available to the Commissioner or a designated representative upon request.

4. Not employ an unsuitable person as an instructor for the course.

Sec. 21. *An individual who holds a license as an adjuster who is seeking approval for hours of continuing education after completing a course organized by and conducted with the supervision of a trade association of the insurance industry or a national association of agents, brokers or adjusters that was not approved by the Commissioner or a designated representative thereof must:*

1. Request approval of the hours from the Commissioner or a designated representative;

2. Submit the information required in subsection 1 of section 18 of this regulation; and

3. Submit a document signed by the instructor or sponsor of the course which verifies the attendance of the licensee and his or her successful completion of each portion of the course for which credit is sought.

Sec. 22. An individual who holds a license as an adjuster who teaches an approved course may receive credit for continuing education for the number of hours that would be granted to a licensee taking and successfully completing the course. Such a licensee will receive credit in this manner only once during a renewal period for each course taught.

Sec. 23. An individual who holds a license as an adjuster:

1. May receive credit for continuing education only once during a renewal period for each course taken.

2. May not carry forward to the next renewal period any hours of continuing education that are accumulated during a renewal period in excess of the hours required pursuant to section 17 of this regulation.

Sec. 24. 1. Each individual who holds a license as an adjuster shall furnish to the Commissioner upon the renewal of his or her license or upon the request of the Commissioner, the original certificate of completion issued by the sponsor for each course of continuing education.

2. Such a licensee shall keep a copy of each certificate of completion for not less than 4 years after the completion of the course.

3. Failure to provide verification of continuing education credits upon request by the Commissioner is evidence that the licensee did not complete the required continuing education.

Sec. 25. 1. The Commissioner or a designated representative thereof may suspend or revoke the approval of a course of continuing education if he or she determines that:

(a) The content of the course has been changed without notice to the Commissioner or designated representative and the change affects the number of hours of credit assigned to the course;

(b) A certificate of completion has been issued and hours were credited to a person who has not completed the course;

(c) A certificate of completion has not been issued and hours have not been credited when requested to a person who has successfully completed the course;

(d) The quality of instruction is inadequate;

(e) The content of the course does not meet the objectives of subsection 3 of section 18 of this regulation;

(f) The sponsor has not maintained the records required by subsection 2 of section 20 of this regulation; or

(g) The sponsor has employed an unsuitable person as an instructor for the course.

2. The Commissioner or a designated representative may audit a course to ensure that the content and instructor meet the requirements of section 18 of this regulation.

3. If approval of a course is suspended or revoked by the Commissioner or a designated representative, approval may be reinstated at the discretion of the Commissioner or a designated representative and after the Commissioner or designated representative receives proof that the conditions giving rise to the suspension or revocation have been corrected.

Sec. 26. 1. The Commissioner will not, except as otherwise provided in section 7 of Assembly Bill No. 12, chapter 40, Statutes of Nevada 2017, at page 166 (NRS 684A.135), renew the license of an individual who holds a license as an adjuster and fails to comply with the requirements of sections 17 to 26, inclusive, of this regulation.

2. Any person who submits a false or fraudulent affidavit that certifies his or her compliance with the requirements of sections 17 to 26, inclusive, of this regulation shall be deemed to have:

(a) Violated a regulation for the purposes of subsection 2 of NRS 683A.451;

(b) Made a material misrepresentation in an application for a license for the purposes of subsection 1 or 3 of NRS 683A.451; and

(c) Proven himself or herself untrustworthy for the purposes of subsection 8 of NRS 683A.451.

Sec. 27. NAC 684A.010 is hereby amended to read as follows:

684A.010 ~~Am~~ *Unless exempted from taking or retaking the examination pursuant to NRS 684A.100 or 684A.105, an applicant for a license as an adjuster must attain a score of ~~80~~ 70 or more points in order to pass the licensing examination ~~is~~ required by NRS 684A.100.*

Sec. 28. This regulation becomes effective on July 1, 2018, or upon filing with the Secretary of State, whichever occurs later.