

STATE OF NEVADA

JOE LOMBARDO
Governor



DR. KRISTOPHER SANCHEZ
Director

SCOTT J. KIPPER
Commissioner

DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE

NOTICE OF INTENT TO ACT UPON REGULATION
LCB File No. R157-24
AND HEARING AGENDA

The Nevada Division of Insurance (“Division”) is proposing the adoption of a regulation pertaining to chapter(s) 692A of the Nevada Administrative Code (“NAC”). The hearing shall take place as follows:

Date: **March 13, 2025**
Time: **2:30 p.m. (PST)**
Location: **This hearing will be held virtually via Webex and in person. See options below.** (For help using Webex, visit <https://help.webex.com>.)

To join by Webex, click on the URL and enter the meeting number when prompted.

URL: <https://doinv.webex.com/doinv/j.php?MTID=m5d0eace718e63e29b2643654f92cbd51>
Meeting Number: 2863 343 5884

To join by telephone, call the toll-free number and enter the access code when prompted.

Phone-in Access: 1-844-621-3956 United States Toll Free
Access Code: 2863 343 5884

To attend in person, the following physical locations are being made available:

Nevada Division of Insurance
1818 E. College Pkwy., Ste. 103
Carson City, NV 89706

Nevada Division of Insurance
3300 W. Sahara Ave.
Red Rock Room, 4th Fl., Ste. 440
Las Vegas, NV 89102

Live public comment and written public comment will be taken as designated in the Hearing Agenda.

The purpose of the hearing is to solicit comments from interested persons on the general topic(s) that may be addressed in the proposed regulation; and to assist in determining whether the proposed regulation is likely to impose a direct and significant burden upon a small business or directly restricts the formation, operation, or expansion of a small business.

HEARING AGENDA

1. Open Hearing: R157-24
2. Presentation of Proposed Regulation.

LCB FILE NO. R157-24 - TITLE RESIDENCY

A REGULATION relating to title insurance; eliminating certain obsolete definitions; eliminating the requirement that an application to obtain a license as a title agent or escrow officer must include certain evidence of residency; and providing other matters properly relating thereto.

3. Public Comment.

The hearing officer will indicate when live public comment will be taken. Public comment may be limited to three minutes per speaker.

4. Close Hearing: R157-24

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.

A copy of all materials relating to this proposal may be obtained by visiting the Division's internet website at <https://doi.nv.gov/News-Notices/Regulations/> or by contacting the Division by email to regs@doi.nv.gov. Members of the public who would like additional information about a proposed regulation may contact the Division by email to regs@doi.nv.gov. Members of the public are encouraged to submit written comments for the record no later than **March 6, 2025**. Written comments may be emailed to regs@doi.nv.gov or mailed to 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Division of your request for reasonable accommodation in writing no later than five (5) working days before the hearing via email to regs@doi.nv.gov.

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.

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

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

The purpose in amending Nevada Administrative Code (“NAC”) 692A.010 and .030 is to remove the requirement for title agents and escrow officers to be a Nevada resident or to live within 50 miles of the state border. An investigation of this law by Nevada Division of Insurance (“Division”) attorneys and the Nevada Attorney General’s office found that this requirement had no legal purpose and was an unnecessary barrier to licensure and was therefore unconstitutional. This change in residency licensing requirements is supported by the April 10, 2008, decision of the 9th Circuit of the United States Court of Appeals in their decision in COUNCIL OF INSURANCE AGENTS & BROKERS and Rebecca Restrepo, Plaintiffs-Appellees, v. Alice A. MOLASKY-ARMAN, in her official capacity as Nevada Commissioner of Insurance, Defendant-Appellant.

(2) What are the terms or substance of the proposed regulation? Provide a description of the subjects, issues and problems involved.

This regulation would remove the current requirement that an applicant for a Nevada title agent or escrow officer license, which is issued by the Division, pursuant to NRS chapter 692A, be a resident of Nevada or reside not more than 50 miles from the Nevada border. The state law that bars nonresidents from obtaining a Nevada license was challenged by a resident of another state, and the Division’s research determined there are no required functions of a title agent or escrow officer that necessitates their being physically housed in this state. Removing this requirement opens up licensing opportunities for more members of the public.

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

Removal of the residency requirement will allow the NAC, which governs the licensing of title agent and escrow officers through the Nevada Division of Insurance, to be in compliance with the United States Constitution. In addition, this change is expected to increase the number of title agents and escrow officers that are licensed by the State of Nevada.

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

No.

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

No.

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

Nevada consumers will potentially have more availability of title agents and escrow officers as this amendment will allow more non-residents to obtain a license.

(7) What is the anticipated economic benefit of the regulation? Provide a statement as to potential beneficial impact on the following:

- 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? Provide a statement as to any anticipated adverse impact, including adverse economic effects, on the following:

- a. Public
 - 1. Immediate: none
 - 2. Long Term: none
- b. Insurance Business
 - 1. Immediate: Minimal expected immediate impact.
 - 2. Long Term: Allowing non-residents from all other states to obtain a Nevada license is expected to impact the volume of business transacted by Nevada title agents and escrow officers, however the expected amount of impact is not quantifiable.

- 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? Provide a statement as to the cost of:

- a. Enactment - none
- b. Enforcement - none
- c. Compliance - none

(10) Provide a statement indicating whether the regulation establishes a new fee or increases an existing fee.

This regulation does not change or add any fees.

(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.

This regulation was vetted by members of the Nevada Division of Insurance Licensing Section staff, and it was determined that removing the current residency requirement does not impact Nevada small businesses. The Division staff reached out to both the Immediate Past President and the Government Affairs liaison of the Nevada Land Title Association about the proposed regulation language.

(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.

NRS 645A and NAC 645A - The Mortgage Lending Division also licenses escrow officers and they also do not require escrow officers to be Nevada residents. The Division of Insurance licenses Escrow Officers that are employed by title agencies, while Mortgage Lending licenses escrow officers that are not employed by title agencies.

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

N/A


(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.

N/A

Notice of this hearing has been provided as follows:

By email to all persons on the Division's email list for noticing of administrative regulations.
By email for posting by the Nevada State Library, Archives and Public Records Administrator.
By email for posting by the State of Nevada County Libraries.
By email for posting by the Nevada Legislature.
Published to the Nevada Legislature website: <https://leg.state.nv.us/>.
Published to the Division of Insurance website: <https://doi.nv.gov/>.
Published to the State of Nevada Public Notice website: <https://notice.nv.gov/>.

DATED this 7th day of February 2025.



SCOTT J. KIPPER
Commissioner of Insurance

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

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

REMOVING RESIDENCY REQUIREMENT FOR TITLE AGENTS AND ESCROW OFFICERS
LCB File No. R157-24

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

1. BACKGROUND.

The purpose in amending NAC 692A.010 and .030 is to remove the requirement for title agents and escrow officers to be a Nevada resident or to live within 50 miles of the state border. An investigation of this law by Nevada Division of Insurance attorneys and the Nevada Attorney General's office found that this requirement had no legal purpose and was an unnecessary barrier to licensure and was therefore unconstitutional. This change in residency licensing requirements is supported by the April 10, 2008, decision of the 9th Circuit of the United States Court of Appeals in their decision in COUNCIL OF INSURANCE AGENTS & BROKERS and Rebecca Restrepo, Plaintiffs-Appellees, v. Alice A. MOLASKY-ARMAN, in her official capacity as Nevada Commissioner of Insurance, Defendant-Appellant.

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

This regulation was vetted by members of the Nevada Division of Insurance Licensing Section staff, and it was determined that removing the current residency requirement does not impact Nevada small businesses. The Division staff contacted both the Immediate Past President and the Government Affairs liaison of the Nevada Land Title Association about the proposed regulation language.

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).

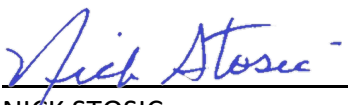
The repeal of the residency requirement does not impose more regulation on title agents and escrow officers, nor does it create or prevent an increase in the title business since title and

escrow needs are driven by the demand of the market, not the number of individuals licensed. Nevada small businesses will not be negatively impacted by this regulation as it does not create any new fees or taxes nor place an additional administrative burden on them.

I, SCOTT J. KIPPER, Commissioner of Insurance for the State of Nevada, hereby 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 this statement is accurate. (NRS 233B.0608(3))

SCOTT J. KIPPER
Commissioner of Insurance

12/26/2024
(DATE)

By: 
NICK STOSIC
Deputy Commissioner
With Delegation of Authority

STATE OF NEVADA

JOE LOMBARDO
Governor



DR. KRISTOPHER SANCHEZ
Director

SCOTT J. KIPPER
Commissioner

DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE

MEMORANDUM

DATE: December 23, 2024
TO: Nick Stosic – Deputy Commissioner
FROM: Scott J. Kipper – Insurance Commissioner
SUBJECT: Delegation of Authority in the Commissioner’s Absence

I hereby issue a Delegation of Authority for you to act on my behalf while I am out of the office from December 23rd to December 27th. You are empowered to exercise all authority necessary to handle matters coming before the Division of Insurance, unless otherwise delegated. This delegation can be superseded by an appointment of a new Commissioner or appointment of an acting Commissioner by Director of the Department of Business and Industry, Dr. Kristopher Sanchez.

A handwritten signature in blue ink, appearing to read "Scott J. Kipper", written over a horizontal line.

SCOTT J. KIPPER
Commissioner of Insurance