



DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE

1818 East College Pkwy., Suite 103
Carson City, Nevada 89706
(775) 687-0700 • Fax (775) 687-0787
Website: doi.nv.gov
E-mail: insinfo@doi.nv.gov

Bulletin 13-007

October 4, 2013

**USE OF FIRST HANDHELD DEVICE VIOLATION IN
AUTO INSURANCE UNDERWRITING AND RATING**

Senate Bill 140 (2011), codified in Nevada Revised Statute (NRS) 484B.165, prohibits the Nevada Department of Motor Vehicles ("DMV") from treating the first handheld device violation (cellular telephones) as a moving violation. The second handheld device violation is treated as a moving violation by the DMV. For tracking purposes and subsequent reporting of a second offense as a moving violation, the DMV is reporting the first offense violation on the Motor Vehicle Report ("MVR") as a non-moving violation. This bulletin clarifies the acceptable treatment of a first handheld device violation in private passenger auto underwriting and rating when submitting a rate to the Division of Insurance ("Division").

Pursuant to NRS 686B.070 every authorized insurer shall file with the Commissioner all rates and supplementary rate information. Pursuant to NRS 686B.050, rates must not be excessive, inadequate or unfairly discriminatory. Accordingly, the use of the first handheld device violation may be filed with the Division for underwriting and rate making, including tier placement, if supported by underlying Nevada loss experience data. As with any other rating variable(s), the Division will not approve a filing that includes this rating variable without justifying data.

An insurance company that is currently using the first handheld device violation in underwriting and rating for auto insurance must immediately contact the Property & Casualty Section by email to pcinsinfo@doi.nv.gov to report this use. Thereafter, the insurance company must submit a formal rate filing no later than November 15, 2013, with supporting data to justify the use of the first handheld device violation for auto insurance underwriting and rating, or indicate in the rate filing that the company will cease use of this criterion. The filing must include the SERFF Tracking Number under which the use of the first handheld device violation was originally filed for approval.

Questions regarding this topic may be submitted to the Property & Casualty Section by email to pcinsinfo@doi.nv.gov.


SCOTT J. KIPPER
Commissioner of Insurance