ADOPTED REGULATION OF THE

COMMISSIONER OF INSURANCE

LCB File No. R160-05

Effective December 29, 2005

EXPLANATION - Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §1, section 1 of Assembly Bill No. 158 of the 73rd Session of the Nevada Legislature, chapter 205, Statutes of Nevada 2005, at page 671 (NRS 281.195); §2, NRS 679B.130.

A REGULATION relating to insurance; establishing a procedure concerning access by the Division of Insurance of the Department of Business and Industry to computers that have been assigned or loaned by the Division to an officer, employee or a contractor for his exclusive or routine use in carrying out the duties of his position; and providing other matters properly relating thereto.

Section 1. Chapter 679B of NAC is hereby amended by adding thereto a new section to read as follows:

- 1. The Division shall, in a log maintained by the Division, record the information concerning access by the Division to a computer of the Division that has been assigned or loaned to an officer, employee or a contractor for his exclusive or routine use in carrying out the duties of his position that is required pursuant to subsection 4 of section 1 of chapter 205, Statutes of Nevada 2005, at page 671 (NRS 281.195).
- 2. As used in this section, "access" has the meaning ascribed to it in section 1 of chapter 205, Statutes of Nevada 2005, at page 671.
 - Sec. 2. NAC 679B.645 is hereby repealed.

TEXT OF REPEALED SECTION

679B.645 "**Person**" **defined.** (**NRS 679B.130**) "Person" means any natural person, corporation, association, partnership or other legal entity.

NOTICE OF ADOPTION OF PROPOSED REGULATION LCB File No. R160-05

The Commissioner of Insurance adopted regulations assigned LCB File No. R160-05 which pertain to chapter 679B of the Nevada Administrative Code on November 23, 2005.

Notice date: 10/6/2005 Date of adoption by agency: 11/23/2005

Hearing date: 11/16/2005 **Filing date:** 12/29/2005

INFORMATIONAL STATEMENT

A hearing was held on November 16, 2005, at the offices of the Department of Business and Industry, Division of Insurance (Division), 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, with a simultaneous video-conference conducted at the Bradley Building, 2501 E. Sahara Avenue, Manufactured Housing Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104, regarding the adoption of the regulation concerning access to computers.

Public comment was solicited by posting notice of the hearing in the following public locations: 788 Fairview Drive, Legislative Counsel Bureau, Capitol Building Lobby, Blasdel Building, Carson City Courthouse, State Library, Clark County Library, Capitol Press Room and the Division's Las Vegas Office.

The Division maintains a list of interested parties, comprised mainly of insurance companies, agencies and other persons regulated by the Division. These persons were notified of the hearing and that copies of the regulation could be obtained from or examined at the offices of the Division in Carson City.

The hearing was attended by 12 individuals. Oral testimony was provided by Cliff King, representing the Division. There was no other testimony, either written or oral.

Since there was no testimony offered supporting or opposing the proposed regulation, there were no revisions made to the Proposed Regulation, LCB File No. R160-05, dated November 1, 2005. The Commissioner has issued an order adopting the regulation, pursuant to the workshop and hearing, as a permanent regulation of the Division.

The economic impact of the regulation is as follows:

- (a) On the business it is to regulate: None. The proposed regulation will only impact employees and contractors of the Division of Insurance.
- (b) On the public: None. The proposed regulation will only impact employees and contractors of the Division of Insurance.

The Division will not incur any additional expenses to enforce the proposed regulation.

The Division is not aware of any overlap or duplication of the regulation with any state, local or federal regulation.

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY DIVISION OF INSURANCE

IN THE MATTER OF THE

CAUSE NO. **05.632** LCB File No. **R160-05**

REGULATION REGARDING ACCESS TO COMPUTERS.

SUMMARY OF PROCEEDINGS AND ORDER

SUMMARY OF PROCEEDINGS

A public workshop, as required by NRS 233B.061, on the proposed regulation concerning access to Division of Insurance computers was held before Alice A. Molasky-Arman, Commissioner of Insurance, on November 16, 2005, in Carson City, Nevada, and video-conferenced to the Bradley Building in Las Vegas, Nevada. A public hearing on the proposed regulation was also held before Commissioner Molasky-Arman on November 16, 2005, in Carson City, Nevada, and video-conferenced to the Bradley Building in Las Vegas, Nevada. The regulation is proposed under the authority of NRS 679B.130.

The Department of Business and Industry, Division of Insurance (Division), did not receive any written comments regarding the proposed regulation. The hearing was attended by 12 individuals. The following person provided testimony before the Hearing Officer: Cliff King, representing the Division.

Mr. King testified that the authority for this proposed regulation is NRS 679B.130. The proposed regulation adds a new section to chapter 679B of the Nevada Administrative Code (NAC) to allow the Commissioner to access computers assigned or loaned to Division

employees or contractors. The proposed regulation also repeals NAC 679B.645, "Person"

defined.

There was no testimony, either written or oral, supporting or opposing the proposed

regulation. For that reason, there were no amendments to the proposed regulation.

ORDER OF THE COMMISSIONER

Having reviewed the record in this matter, it is hereby ordered that the proposed

regulation regarding access to computers, LCB File No. R160-05, be adopted as a permanent

regulation of the Division.

SO ORDERED this _____ day of November, 2005.

ALICE A. MOLASKY-ARMAN

Commissioner of Insurance