

**ADOPTED REGULATION OF  
THE COMMISSIONER OF INSURANCE**

**LCB File No. R173-08**

Effective February 11, 2009

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

AUTHORITY: §1, NRS 679B.130, 679B.136 and 680A.270.

A REGULATION relating to insurance; eliminating the requirement that foreign or alien insurers file affidavits or jurats with the Commissioner of Insurance when statements are filed electronically with the National Association of Insurance Commissioners; and providing other matters properly relating thereto.

**Section 1.** NAC 680A.160 is hereby amended to read as follows:

680A.160 1. The annual statement required to be filed pursuant to NRS 680A.270 must contain exhibits and schedules that follow the specifications developed by the National Association of Insurance Commissioners.

2. Information from the insurer's annual statement must be filed:

- (a) Pursuant to the specifications adopted by the National Association of Insurance Commissioners for filing information in an electronic format;
- (b) At the central office of the National Association of Insurance Commissioners, 2301 McGee Street, Suite 800, Kansas City, Missouri 64108-2662; and
- (c) On or before March 1 of each year.

3. If a foreign or alien insurer files a statement in an electronic format with the National Association of Insurance Commissioners, that statement will be deemed to have been filed with the Commissioner if ~~it~~

~~—(a) The~~ *the* foreign or alien insurer ~~[submits an affidavit or a jurat or copy of a jurat to the Commissioner indicating that the statement has been so filed; and~~

~~—(b) The affidavit or the jurat or copy of the jurat is accompanied by]~~ *has paid* the applicable fees set forth in NRS 680B.010.

4. The form of an annual statement required by NRS 680A.270 to be filed with the Commissioner must be the most recent adopted by the National Association of Insurance Commissioners for the type of insurer reporting. Each insurer filing the form shall follow the most recent instructions adopted by the National Association of Insurance Commissioners for the type of annual statement to be filed. These forms may be obtained from the National Association of Insurance Commissioners, Publications Department, 2301 McGee Street, Suite 800, Kansas City, Missouri 64108-2662, *or at the Internet address <http://www.naic.org/>*, for the price of \$200 each.

5. If necessary to determine a foreign or an alien insurer's financial condition, fulfillment of contractual obligations and compliance with law, the Commissioner will require the foreign or alien insurer to file a financial statement more frequently than annually. Such a statement must be:

- (a) Filed on the most current form adopted by the National Association of Insurance Commissioners for the type of insurer reporting;
- (b) Completed in accordance with the instructions accompanying that form; and
- (c) Filed with the National Association of Insurance Commissioners in an electronic format.

6. Each domestic insurer shall file a quarterly statement. A quarterly statement must be:

- (a) Filed on the most current form adopted by the National Association of Insurance Commissioners for the type of insurer reporting;

- (b) Completed in accordance with the instructions accompanying that form; and
- (c) Filed with the National Association of Insurance Commissioners in an electronic format.

7. A domestic insurer that is not licensed or authorized to do business in any state other than this State may apply for an exemption from the requirement to complete the “Statement of Actuarial Opinion” required by the *Annual Statement Instructions* of the National Association of Insurance Commissioners as part of the domestic insurer’s annual statement. The application must:

- (a) Be in writing.
- (b) Be submitted by December 1 of the calendar year which will be covered in the annual statement.
- (c) Include an agreement and acknowledgment from the domestic insurer that the Commissioner may use the services of an independent actuary to certify losses and reserves for loss adjustment expenses in relation to any examination of the domestic insurer pursuant to NRS 679B.230.
- (d) Demonstrate that no significant changes and no unusual or large claims have occurred or are expected to occur during the calendar year which will be covered in the annual statement.

8. The Commissioner will grant an application for an exemption made pursuant to subsection 7 if he determines, upon review of the application, that having to file the “Statement of Actuarial Opinion” would constitute a financial or organizational hardship upon the domestic insurer or that the insurer has shown other good cause why it should not have to file the statement. A domestic insurer which has been granted an exemption pursuant to this subsection must file with its annual statement a signed affidavit given by one of its officers under oath that certifies the accuracy and adequacy of the reserves stated in its annual statement.

9. A domestic insurer licensed only to sell insurance for home protection but not licensed or authorized to do business in any state other than this State is exempt from the requirement to complete the “Statement of Actuarial Opinion” required by the *Annual Statement Instructions* of the National Association of Insurance Commissioners as part of the annual statement of the domestic insurer if the domestic insurer:

(a) Completes and submits with its annual statement forms provided by the Commissioner for reporting information concerning claims;

(b) Complies with the requirements of paragraphs (c) and (d) of subsection 7; and

(c) Submits with its annual statement a signed affidavit given by one of its officers under oath that certifies the accuracy and adequacy of the reserves stated in its annual statement.

10. A domestic insurer that is not licensed or authorized to do business in any state other than this State is not required to file information from its annual statement with the National Association of Insurance Commissioners as required pursuant to subsection 2 if the written premium of the domestic insurer for the year is less than \$1,000,000.

~~[11. —As used in this section, “jurat” means a declaration by a notarial officer that the signer of a document signed the document in the presence of the notarial officer and swore to or affirmed that the statements in the document are true.]~~

**NOTICE OF ADOPTION OF PROPOSED REGULATION**  
**LCB File No. R173-08**

The Commissioner of Insurance adopted regulations assigned LCB File No. R173-08 which pertain to chapter 680A of the Nevada Administrative Code.

**INFORMATIONAL STATEMENT**

A workshop was held on November 7, 2008, and a hearing was held on November 21, 2008, 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, Real Estate Division Conference Room, 2<sup>nd</sup> Floor, Las Vegas, Nevada 89104, regarding the adoption of the regulation concerning efficient filing requirements.

Public comment was solicited by posting notice of the hearing in the following public locations: the Division's Carson City and Las Vegas offices, Carson City Courthouse, Office of the Attorney General, the Donald W. Reynolds Press Center, Capitol Building Lobby, Capitol Building Press Room, Blasdel Building, Legislative Counsel Bureau, Nevada State Library, Carson City Library, Churchill County Library, Clark County District Library, Douglas County Library, Elko County Library, Esmeralda County Library, Eureka Branch Library, Humboldt County Library, Lander County Library, Lincoln County Library, Lyon County Library, Mineral County Library, Pershing County Library, Storey County Library, Tonopah Public Library, Washoe County Library, and White Pine County Library.

The Division maintains a general 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 three (3) interested parties in Carson City and four (4) interested parties in Las Vegas. There were no written comments received. Peggy Willard-Ross, Chief Examiner for the Corporate and Financial Section of the Division, testified that the proposed regulation amends NAC 680A.160 for the purpose of enhancing the efficiency of processing the annual statement of the foreign or alien insurers that are licensed in Nevada pursuant to the requirements under NRS 680A.270. Ms. Willard-Ross further testified that this is being accomplished by eliminating the requirement that a jurat page be filed with the Division if the foreign or alien insurer files with the National Association of Insurance Commissioners ("NAIC") in an electronic form and pays the applicable fees for their annual renewal.

After considering the record and the recommendation of the hearing officer, the Commissioner has issued an order adopting the regulation, LCB File No. R173-08, as proposed, as a permanent regulation of the Division.

The economic impact of the regulation is as follows:

- (a) On the business it is to regulate: Minor cost savings of not less than \$15,000 to insurers, through reduced handling of reported filings in paper forms.
- (b) On Small Business: None.
- (c) On the public: Minor cost savings, indirectly, to the public.

The Division does not anticipate an expense 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. **08.0659**  
LCB File No. **R173-08**

**REGULATION CONCERNING  
EFFICIENT FILING REQUIREMENTS.**

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**SUMMARY OF PROCEEDINGS  
AND ORDER**

**SUMMARY OF PROCEEDINGS**

A public workshop, as required by Nevada Revised Statute (“NRS”) 233B.061, on the proposed regulation concerning efficient filing requirements, was held before Betty C. Baker, Acting Commissioner of Insurance, on November 7, 2008, 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 the Acting Commissioner on November 21, 2008, in Carson City, Nevada, and video-conferenced to the Bradley Building in Las Vegas, Nevada. The regulation is proposed pursuant to the authority of NRS 679B.130, 679B.136 and 680A.270.

The workshop was attended by six (6) members of the public in Carson City and six (6) in Las Vegas. The hearing was attended by three (3) individuals in Carson City and four (4) in Las Vegas. There was no public testimony either oral or written.

Peggy Willard-Ross, Chief Examiner for the Corporate and Financial Section of the Department of Business and Industry, Division of Insurance (“Division”), testified that the proposed regulation amends Nevada Administrative Code (“NAC”) 680A.160 for the purpose of enhancing the efficiency of processing the annual statement of the foreign or alien insurers that are licensed in Nevada pursuant to the requirements under NRS 680A.270. Ms. Willard-Ross further testified that this is being accomplished by eliminating the requirement that a jurat page be filed with the Division if the foreign or alien insurer files with the National Association

of Insurance Commissioners (“NAIC”) in an electronic form and pays the applicable fees for their annual renewal.

Ms. Willard-Ross recommends that the proposed regulation, LCB File No. R173-08, be adopted, as proposed, as a permanent regulation of the Division.

**RECOMMENDATION OF THE HEARING OFFICER**

Having presided over both the workshop and hearing in this matter, and after reviewing the record for Cause No. 08.0659, LCB File No. R173-08, it is recommended that the proposed regulation be adopted, as proposed, as a permanent regulation of the Division.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
/s/  
BETTY C. BAKER  
Hearing Officer

**ORDER OF THE COMMISSIONER**

Having reviewed the record in this matter, and considering the recommendation of the hearing officer, it is hereby ordered that the proposed regulation concerning efficient filing requirements, LCB File No. R173-08, be adopted, as proposed, as a permanent regulation of the Division.

SO ORDERED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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/s/  
SCOTT J. KIPPER  
Commissioner of Insurance