

STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE

Determination of Necessity - Small Business Impact Statement

LCB File No. R008-16

This proposed regulation amends the format requirements for the evidence of automobile liability insurance to allow for electronic evidence of insurance.

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

1. BACKGROUND

Assembly Bill 143, which became effective October 1, 2015, allows insurers to provide the evidence of automobile insurance in an electronic format that can be displayed on a portable electronic device. NAC 690B.060 provides requirements for the evidence of insurance that would be applicable only to a physical card.

2. DESCRIPTION OF SOLICITATION

N/A

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)(circle one)

NO (answer #4) YES (skip to #5)


4. HOW WAS THAT CONCLUSION REACHED? (NRS 233B.0608.3)

The proposed regulation does not impose an economic burden because it does not impose any new requirements. It merely clarifies which existing requirements apply when an insurer chooses to provide evidence of automobile insurance in an electronic format.

Insurers are not required to offer the evidence of insurance in an electronic format and insureds are not required to accept the evidence of insurance in an electronic format. Insurers can determine for themselves whether the savings in printing and mailing costs outweigh the costs of developing an electronic version. For the insured, there is no additional cost to receive the evidence of insurance in an electronic format (other than the cost of owning the mobile device on which the evidence of insurance is displayed).

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.

6/15/16
(DATE)


BARBARA D. RICHARDSON
Commissioner of Insurance

