

**PROPOSED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**LCB File No. R244-03**

January 29, 2004

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

AUTHORITY: §§1 and 2, NRS 679B.130 and 680A.270.

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

680A.160 1. ~~[As a condition of doing business in this state, each insurer must file with the Commissioner an annual statement that:~~

~~—(a) Conforms to the format prescribed by the National Association of Insurance Commissioners in the Annual Statement Instructions and the Accounting Practices and Procedures Manual; and~~

~~—(b) Contains]~~ *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 ~~[64108-2604;]~~ *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:

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

(b) The affidavit *or jurat* is accompanied by 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 ~~[current]~~ *recent* adopted by the National Association of Insurance Commissioners for the type of insurer reporting. ~~[The forms are hereby adopted by reference.]~~ 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 ~~[64108-2604 for the following costs:~~

~~—(a) For forms for an annual statement for property or casualty insurers, \$175.~~

~~—(b) For forms for an annual statement for life, accident or health insurers, \$175.~~

~~—(c) For forms for an annual statement for health insurers, \$125.]~~ **64108-2662.**

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; ~~and~~

(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.*

**Sec. 2.** NAC 680A.172 is hereby amended to read as follows:

680A.172 For the purposes of NRS 680A.265, the Commissioner will find that good cause exists for the exemption of an insurer from the requirements of NRS 680A.265 for the year if, at the end of the most previous calendar year, the insurer has direct premiums written in this state in an amount which is less than \$1,000,000 and has less than 1,000 policyholders, ~~or~~ certificate holders, *enrollees, members or subscribers* of directly written policies in the United States unless:

1. The Commissioner makes a specific finding that compliance by that insurer is necessary for the Commissioner to carry out his statutory responsibilities; or
2. The insurer has assumed premiums pursuant to contracts or treaties of reinsurance in an amount of \$1,000,000 or more.