

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R039-08

March 20, 2008

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

AUTHORITY: §1, NRS 616B.300 and 679B.130.

A REGULATION relating to self-insured employers; revising provisions related to the cost of publications of the Governmental Accounting Standards Board applicable to such employers; and providing other matters properly relating thereto.

Section 1. NAC 616B.427 is hereby amended to read as follows:

616B.427 1. To determine whether a governmental employer has the financial ability to qualify as a self-insured employer, the Commissioner will consider the use of fund accounting and waive the requirement for a tangible net worth found in NAC 616B.424. All other requirements for qualification apply to the governmental entity.

2. In addition to the deposit required by NRS 616B.300, a governmental entity that does not meet the requirements of subsection 1 shall:

(a) Comply with the requirements of Statement No. 10 of the Governmental Accounting Standards Board, which may be obtained from the Governmental Accounting Standards Board, 401 Merritt 7, P.O. Box 5116, Norwalk, Connecticut 06856-5116, *or on the Internet at <http://www.gasb.org>*, at a cost of ~~[\$16.25;]~~ *\$18.50*; or

(b) Set aside, in a special reserve account, an amount equal to the deposit it made with the Commissioner to assure payment of claims. This account must be held in trust for the payment of claims, and all interest and income earned must be credited to that account. If securities are used

for this account, then the form of the securities must be submitted to the Commissioner for his approval.