

**ADOPTED REGULATION OF
THE COMMISSIONER OF INSURANCE**

LCB File No. R172-08

Effective February 11, 2009

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

AUTHORITY: §§1 and 2, NRS 679B.130.

A REGULATION relating to insurance; revising provisions relating to the cost of obtaining a copy of a certain publication of the National Association of Insurance Commissioners; and providing other matters properly relating thereto.

Section 1. NAC 682A.100 is hereby amended to read as follows:

682A.100 The *Purposes and Procedures Manual of the* ~~[National Association of Insurance Commissioners,]~~ *NAIC Securities Valuation Office* ~~[.]~~ is hereby adopted by reference. A copy of the publication 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 ~~[\$65.]~~ *\$50.*

Sec. 2. NAC 682A.110 is hereby amended to read as follows:

682A.110 1. Except as otherwise provided in subsection 4, a domestic insurer or health organization that is regulated pursuant to title 57 of NRS shall file with and have its applicable investments rated by the Securities Valuation Office of the National Association of Insurance Commissioners, ~~[1411 Broadway, 9th]~~ *48 Wall Street, 6th* Floor, New York, New York ~~[10018-3402.]~~ *10005-2906.*

2. Each applicable investment must be reported to the Securities Valuation Office within 120 days after the investment is acquired.

3. The Division of Insurance of the Department of Business and Industry may consider an applicable investment as a nonadmitted asset if it is rated by the Securities Valuation Office:

(a) With a designation of NR.

(b) With a designation of Z on any date that is more than 240 days after the date of the acquisition of the investment.

4. A domestic insurer or health organization is exempt from filing its applicable investments with the Securities Valuation Office if the investments qualify for the provisionally exempt provisions of the *Purposes and Procedures Manual of the* ~~*[National Association of Insurance Commissioners]*~~ *NAIC* *Securities Valuation Office*.

NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R172-08

The Commissioner of Insurance adopted regulations assigned LCB File No. R172-08 which pertain to chapter 682A 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, 2nd Floor, Las Vegas, Nevada 89104, regarding the adoption of the regulation concerning updating the price of a manual.

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 chapter 682A of the Nevada Administrative Code (“NAC”) by updating the provisions relating to the cost of obtaining a copy of the Purposes and Procedures Manual from the National Association of Insurance Commissioners (“NAIC”). Ms. Willard-Ross further testified that the manual from the Securities Valuation Office of the NAIC would be changed to update an address, and that the title for the Securities Valuation Office of the NAIC would be changed to use the acronym in their title.

After considering the record and the recommendation of the hearing officer, the Commissioner has issued an order adopting the regulation, LCB File No. R172-08, 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: None.
- (b) On Small Business: None.
- (c) On the public: None.

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. **08.0658**

LCB File No. **R172-08**

**REGULATION CONCERNING
UPDATING THE PRICE OF A
MANUAL.**

**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 updating the price of a manual, 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.

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 chapter 682A of the Nevada Administrative Code (“NAC”) by updating the provisions relating to the cost of obtaining a copy of the Purposes and Procedures Manual from the National Association of Insurance Commissioners (“NAIC”). Ms. Willard-Ross further testified that the manual from the Securities Valuation Office of the NAIC would be changed to update an address, and that the title for the Securities Valuation Office of the NAIC would be changed to use the acronym in their title.

Ms. Willard-Ross recommended that the proposed regulation, LCB File No. R172-08, 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. 08.0658, LCB File No. R172-08, 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 updating the price of a manual, LCB File No. R172-08, be adopted, as proposed, as a permanent regulation of the Division.

SO ORDERED this _____ day of _____, 20____.

/s/
SCOTT J. KIPPER
Commissioner of Insurance