

LCB File No. R213-09

PROPOSED REGULATION OF THE COMMISSIONER OF INSURANCE

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

AUTHORITY: NRS 679B.130

A REGULATION relating to the issuance and content of an evidence of insurance card for automobile liability

Section 1. Chapter 690B.040 of NAC is hereby amended as follows:

1. Except as provided in subsections ~~{3}~~ *4 and 5*, a temporary card constituting evidence of insurance may be issued only by a duly appointed agent upon the submission to the insurer identified on the temporary card of an application for motor vehicle liability insurance for which ~~{a binder}~~ *coverage* has been ~~{issued}~~ *bound*.

2. The temporary card must bear the personal or facsimile signature of the agent ~~{submitting the application}~~ *issuing the card*.

~~{2}~~ 3. Insurers must provide agents with an adequate supply of temporary cards.

4. *An insurer may allow an insured to print temporary cards on a home computer if the insurer takes reasonable measures, that are approved by the Commissioner, to prevent the temporary card from being electronically manipulated or altered.*

~~{3}~~ 5. Temporary cards may be issued by the Western Association of Automobile Insurance Plans.

Sec. 2. Chapter 690B.060 of NAC is hereby amended as follows:

1. The card must be:

(a) Not larger than 8 1/2 x 5 1/2 inches and not smaller than 3 1/2 x 2 1/4 inches; and

(b) ~~Printed on white paper which is no lighter in weight than 20 pounds, but a temporary card may be printed on white paper of a lighter weight~~ *Printed in not less than 10-point type.*

2. The card must contain:

(a) The name of the insured as displayed on the Department of Motor Vehicles' certificate of registration of the insured vehicle, or the name of the buyer or long-term lessee as displayed on the report of sale or the report of lease.

~~[(a)]~~ *(b) A company logotype printed on the card or a watermark or other embedded marking which makes the card difficult to counterfeit, reproduce, or alter.*

(c) The National Association of Insurance Commissioners (NAIC) Company Code.

~~[(b)]~~ *(d) A telephone number [of the appropriate person who may be contacted] to verify coverage or report a claim.*

~~[(e)]~~ *(e) The statement "This card has been approved by the Nevada Commissioner of Insurance."*

~~[(d)]~~ *(f) A statement indicating that the card is not valid for more than a specific number of days, not to exceed 60 days, if a temporary card.*

~~[(e)]~~ *(g) A signature blank for the agent, if a temporary card.*

~~[(f)]~~ *(h) If the card constitutes evidence of an operator's policy of liability insurance, a statement that complies with the provisions of NAC 690B.350 [is written substantially as follows:*

~~—This card constitutes evidence of an operator's policy of liability insurance. The policy is a limited policy of liability insurance. The specific limitations are set forth in the policy or the endorsement required by NRS 485.186].~~

3. If the vehicle is covered under a fleet policy written on an “any auto” or “blanket policy” basis, the following may be substituted in place of the year, make, and complete identification number of the vehicle:

(a) The Federal Employer Identification Number (FEIN), if a FEIN has been issued to the policyholder; and

(b) The word “fleet.”

Sec. 3 Chapter 690B.350 of NAC is hereby amended as follows:

1. Except as otherwise provided in NAC 690B.360, an insurer that issues an operator’s policy of liability insurance which limits coverage for damages as set forth in NRS 485.186 shall disclose those limitations in the manner set forth in subsections ~~2 and 3~~, *3 and 4.*

2. The insurer shall include a statement on the card constituting evidence of insurance required pursuant to NRS 690B.023 written substantially as follows:

This card constitutes evidence of an operator’s policy of liability insurance. The policy is a limited policy of liability insurance. The specific limitations are set forth in the policy or endorsement required by NRS 485.186.

~~2~~ *3.* The insurer shall include a statement on the face of the operator’s policy of liability insurance that is written in English or in Spanish, as appropriate.

~~3~~ *4.* The statement may be imprinted, stamped or imprinted on a sticker. The statement is deemed approved by the Commissioner if it is written as follows:

This operator’s policy of liability insurance is a limited policy of liability insurance that provides coverage for the named insured when he is operating any motor vehicle or while the motor vehicle he owns is not being operated by any person.

This operator's policy of liability insurance DOES NOT provide any coverage for damages incurred while the motor vehicle owned by the named insured is operated by another person, including, without limitation, bodily injury, damage to the motor vehicle owned by the named insured or any other property damage.

Because subsection 4 of NRS 485.186 prohibits the named insured from allowing another person to operate the motor vehicle he owns if he knows or should have known that the person does not have liability insurance to cover the operation of that motor vehicle, the named insured SHOULD NOT allow any person to operate the motor vehicle he owns unless he knows that the person has liability insurance that will provide coverage when the person is operating that motor vehicle.

This operator's policy of liability insurance may not meet the requirements of the financial responsibility laws of other states, unless it is expressly indicated in the policy.

~~[4]~~ 5. An insurer may use a statement that is written substantially similar to the statement set forth in subsection ~~[3]~~ 4 if:

- (a) The insurer has filed the statement with the Commissioner; and
- (b) The Commissioner has approved the statement.