

# **PROPOSED REGULATION OF THE COMMISSIONER OF INSURANCE**

## **LCB File No. R032-12**

### **NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATIONS**

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”), (775) 687-0700, is proposing the adoption, amendment or repeal of regulations pertaining to chapters 616B, 679B, 686A and 689A of the Nevada Administrative Code (“NAC”). A workshop has been set for **10:00 a.m., on June 5, 2012**, at the Division’s office located at 1818 East College Parkway, 1<sup>st</sup> floor hearing room, Carson City, Nevada 89706. Interested parties may also participate through a simultaneous videoconference conducted at the Bradley Building, 2501 East Sahara Avenue, 2<sup>nd</sup> floor conference room, Las Vegas, Nevada 89104. The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations. Please submit any written comments no later than **May 29, 2012**.

**LCB File No. R026-12. Amend NAC 686A.282, 686A.288 and 686A.302.  
Repeal NAC 686A.292, 686A.294, 686A.296, 686A.298, 686A.300 and 689A.431.**  
A regulation relating to insurance; prescribing the form which must be used for the submission of certain claims; repealing certain provisions relating to the submission of certain information for an insurance claim; and providing other matters properly relating thereto.

**LCB File No. R027-12. Amend NAC 686A.4775, 686A.563 and 686A.573.**  
A regulation relating to insurance; revising provisions governing an illustration actuary; revising the notice that must be provided with policies of life insurance and annuity contracts that replace existing policies and contracts to conform with statutory requirements; and providing other matters properly relating thereto.

**LCB File No. R028-12. Confidentiality of Records During an Examination.**  
A regulation relating to insurance; removing obsolete references to the Advocate for Insurance Customers; and providing other matters properly relating thereto.

**LCB File No. R031-12.  
Financial Reporting of Associations of Self-Insured Employers.**  
A regulation relating to industrial insurance; revising requirements concerning financial information that must be submitted to the Commissioner of Insurance by associations of self-insured employers; and providing other matters properly relating thereto.

**LCB File No. R032-12. GASB Publication Cost.**

A regulation relating to insurance; revising the price for purchasing a copy of a publication with which certain governmental employers that are self-insured for purposes of workers' compensation must comply; and providing other matters properly relating thereto.

A copy of all materials relating to the proposals may be obtained at the workshop or by contacting the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, (775) 687-0700. A reasonable fee for copying may be charged.

This Notice of Workshop to Solicit Comments on Proposed Regulations has been sent to all persons on the agency's mailing list for administrative regulations, posted to the agency's Internet Web site at [doi.nv.gov](http://doi.nv.gov), and was provided to or posted at the following locations:

Department of Business and Industry  
Division of Insurance  
1818 East College Parkway, Suite 103  
Carson City, NV 89706

Department of Business and Industry  
Division of Insurance  
2501 East Sahara Avenue, Suite 302  
Las Vegas, NV 89104

Capitol Press Room  
Capitol Building Basement  
Carson City, NV 89710

Donald W. Reynolds Press Center  
102 North Curry Street  
Carson City, NV 89701

Legislative Counsel Bureau  
401 South Carson Street  
Carson City, NV 89701

Office of the Attorney General  
100 North Carson Street  
Carson City, NV 89701

Blasdel Building  
209 East Musser Street  
Carson City, NV 89701

Nevada State Library & Archives  
100 North Stewart Street  
Carson City, NV 89701

Office of the Governor  
Capitol Building  
Carson City, NV 89710

Carson City Courthouse  
885 East Musser Street  
Carson City, NV 89701

Carson City Library  
900 North Roop Street  
Carson City, NV 89701

Churchill County Library  
553 South Main Street  
Fallon, NV 89406

Clark County District Library  
833 Las Vegas Boulevard North  
Las Vegas, NV 89101

Douglas County Library  
P.O. Box 337  
Minden, NV 89423

Elko County Library  
720 Court Street  
Elko, NV 89801

Esmeralda County Library  
P.O. Box 430  
Goldfield, NV 89013

Eureka Branch Library  
P.O. Box 293  
Eureka, NV 89316

Humboldt County Library  
85 East 5<sup>th</sup> Street  
Winnemucca, NV 89445

Lander County Library  
P.O. Box 141  
Battle Mountain, NV 89820

Lincoln County Library  
P.O. Box 330  
Pioche, NV 89043-0330

Lyon County Library  
20 Nevin Way  
Yerington, NV 89447

Mineral County Public Library  
P.O. Box 1390  
Hawthorne, NV 89415

Pershing County Library  
P.O. Box 781  
Lovelock, NV 89419

Storey County Public Library  
P.O. Box 14  
Virginia City, NV 89440

Tonopah Public Library  
P.O. Box 449  
Tonopah, NV 89049

Washoe County Library  
P.O. Box 2151  
Reno, NV 89505-2151

White Pine County Library  
950 Campton Street  
Ely, NV 89301

Members of the public who are disabled and require special accommodations or assistance at the hearing are requested to notify the Commissioner's secretary in writing at 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, or by calling (775) 687-0700, no later than five (5) working days prior to the hearing.

DATED this 11<sup>th</sup> day of May, 2012.

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/s/  
SCOTT J. KIPPER  
Commissioner of Insurance

## NOTICE OF INTENT TO ACT UPON REGULATION

### Notice of Hearing for the Adoption, Amendment or Repeal of Regulations of The Department of Business and Industry, Division of Insurance

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”), (775) 687-0700, will hold a public hearing at **9:30 a.m. on June 14, 2012**, at the Division’s office located at 1818 East College Parkway, 1<sup>st</sup> floor hearing room, Carson City, Nevada 89706. Interested persons may also participate through a simultaneous videoconference conducted at the Bradley Building, 2501 East Sahara Avenue, 2<sup>nd</sup> floor conference room, Las Vegas, Nevada 89104. The purpose of the hearing is to receive comments from all interested persons regarding the amendment of a regulation that pertains to **chapter 616B** of the Nevada Administrative Code (“NAC”).

The following information is provided pursuant to the requirements of Nevada Revised Statute (“NRS”) 233B.0603 and the directives of the Governor:

#### **LCB File No. R032-12. GASB Publication Cost.**

A regulation relating to insurance; revising the price for purchasing a copy of a publication with which certain governmental employers that are self-insured for purposes of workers’ compensation must comply; and providing other matters properly relating thereto.

**(1) Why is the regulation necessary and what is its purpose?**

Paragraph (a) of subsection 2 of NAC 616B.427 provides information for use in obtaining Statement No. 10 of the Governmental Accounting Standards Board (“GASB”) from the GASB in Norwalk, Connecticut. The cost of Statement 10 is indicated as \$18.50. The current cost of this publication is \$22.50. The purpose of the proposed amendment is to update the regulation to show the correct cost of this publication.

**(2) What are the terms or substance of the proposed regulation?**

The amendment is intended to update the cost of obtaining Statement 10 of the GASB from \$18.50 to \$22.50.

**(3) What is the anticipated impact of the regulation on the problem(s)?** Neutral.

**(4) Do other regulations address the same problem(s)?** No.

**(5) Are alternate forms of regulation sufficient to address the problem(s)?** No.

**(6) What value does the regulation have to the public?** Informational.

(7) What is the anticipated economic benefit of the regulation?

- a. **Public**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- b. **Insurance Business**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- c. **Small Businesses**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- d. **Small Communities**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- e. **Government Entities**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral

(8) What is the anticipated adverse impact, if any?

- a. **Public**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- b. **Insurance Business**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- c. **Small Businesses**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- d. **Small Communities**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral
- e. **Government Entities**
  - 1. **Immediate:** Neutral
  - 2. **Long Term:** Neutral

(9) What is the anticipated cost of the regulation, both direct and indirect?

- a. **Enactment** – Only LCB and workshop/hearing costs
- b. **Enforcement** – Not applicable
- c. **Compliance** – Not applicable

(10) Does the regulation establish a new fee or increase an existing fee? No.

(11) **Provide a statement which identifies the methods used by the agency in determining the impact of the proposed regulation on a small business, prepared pursuant to subsection 3 of NRS 233B.0608.** Not applicable.

(12) **Provide a description of any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, state the name of the regulating federal agency.** Neutral.

(13) **If the regulation is required pursuant to federal law, provide a citation and description of the federal law.** Not applicable.

(14) **If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, provide a summary of such provisions.** Not applicable.

Persons wishing to comment upon the proposed action of the Division may appear at the scheduled public hearing or may address their comments, data, views or arguments, in written form, to the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. **Written submissions must be received by the Division on or before May 29, 2012.** If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be amended will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be amended will be available at the offices of the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, and 2501 East Sahara Avenue, Suite 302, Las Vegas, Nevada 89104, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the **State of Nevada Register of Administrative Regulations**, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us/register>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at or provided to the following locations:

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Carson City, NV 89706

Department of Business and Industry  
Division of Insurance  
2501 East Sahara Avenue, Suite 302  
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Goldfield, NV 89013

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DATED this 11<sup>th</sup> day of May, 2012.

\_\_\_\_\_  
/s/  
SCOTT J. KIPPER  
Commissioner of Insurance