

**PROPOSED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**LCB File No. R035-12**

June 27, 2012

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

AUTHORITY: §1, NRS 679B.130 and 679B.136; §2, NRS 679B.130, 679B.136 and 691D.500.

A REGULATION relating to insurance; establishing provisions governing the conducting of insurance transactions by electronic means; prescribing requirements for the transmission by electronic means of certain notices of an insurer under a policy of portable electronics insurance; and providing other matters properly relating thereto.

**Section 1.** Chapter 679B of NAC is hereby amended by adding thereto a new section to read as follows:

*1. Except as otherwise provided in NRS 691D.330 and section 2 of this regulation, an insurer shall not conduct a transaction by electronic means, including, without limitation, transactions involving claims, electronic signatures, electronic payments or other insurance-related records in electronic form, unless each person who is a party to the transaction agrees to conduct the transaction by electronic means.*

*2. If a person who is a party to a transaction agrees to conduct the transaction by electronic means, the insurer shall document the agreement, including, without limitation:*

- (a) The name of the person agreeing to conduct the transaction by electronic means;*
- (b) The type of transaction that the person has agreed to conduct by electronic means; and*
- (c) The date and time of the agreement.*

*3. A person who agrees to conduct a transaction by electronic means may limit the types of transactions which he or she agrees to conduct by electronic means.*

*4. If an insurer is required to retain a record, the insurer may retain the record electronically if the insurer is able accurately to reproduce the record upon the request of a person who is entitled to a copy of the record, including, without limitation, an insured, a claimant and the Commissioner.*

*5. Except as otherwise provided in NRS 691D.330 and section 2 of this regulation, an insurer shall not provide a notice which terminates a policy of insurance, including, without limitation, a notice of cancellation or nonrenewal, solely by electronic means.*

**Sec. 2.** Chapter 691D of NAC is hereby amended by adding thereto a new section to read as follows:

*1. An insurer under a policy of portable electronics insurance may send by electronic mail or other electronic means any notice required by chapter 691D of NRS if:*

*(a) The insurer has notified the policyholder and each enrolled customer that:*

*(1) Notice will be sent by electronic mail or other electronic means; and*

*(2) The policyholder or enrolled customer has a right to refuse, in writing, to receive notices electronically; and*

*(b) The policyholder or enrolled customer has not refused, in writing, to receive notices electronically.*

*2. An insurer under a policy of portable electronics insurance shall maintain a complete record of each notice sent by electronic means and be capable of accurately reproducing the notice at the request of the policyholder, an enrolled customer or the Commissioner.*