

**ADOPTED REGULATION OF THE
DEPARTMENT OF MOTOR VEHICLES**

LCB File No. R045-12

Effective November 1, 2012

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

AUTHORITY: §§1-3, NRS 485.130, 485.313 and 485.314.

A REGULATION relating to motor vehicles; revising the requirements regarding notification to the Department of Motor Vehicles concerning the issuance of or amendment to a motor vehicle liability policy; revising provisions governing the duty of an insurer to maintain, submit or provide access to the Department to certain records; and providing other matters properly relating thereto.

Section 1. NAC 485.153 is hereby amended to read as follows:

485.153 1. If a motor vehicle liability policy covering a motor vehicle that is required to be registered in this State pursuant to NRS 482.205 is issued, amended or terminated, the owner of the motor vehicle shall notify the Department not later than 7 days after ~~[the effective date of]~~ the issuance, amendment or termination of the policy.

2. The notice required by subsection 1 must be in the form prescribed by the Department and include, without limitation:

(a) The company code assigned to the insurer by the National Association of Insurance Commissioners or the name of the insurer as it appears on the evidence of insurance provided to the owner by the insurer;

(b) The policy number;

(c) The effective date of the policy or the amendment to the policy;

(d) The expiration or termination date of the policy; and

(e) Any other information required by the Department.

3. An authorized agent of the owner of the motor vehicle may submit, on behalf of the owner, ~~[any information]~~ *the notice* required ~~[pursuant to this section]~~ *by subsection 1* or any additional information to amend or correct any information previously submitted to the Department . ~~[pursuant to this section.]~~

4. Not later than the seventh day of each month, an insurer shall submit to the Department, using the procedure and format prescribed on the Internet website of the Department at www.dmvnv.com/insuranceagents.htm, a record for each motor vehicle liability policy covering a motor vehicle that is required to be registered in this State pursuant to NRS 482.205 that was issued or amended by the insurer during the previous month.

5. If the record submitted by the insurer does not comply with the requirements of subsection 4, the Department will delete the record and send an electronic mail message to the insurer notifying the insurer that it must resubmit the record using the procedure and format required pursuant to subsection 4 within 5 business days after the date on which the notice is sent.

Sec. 2. NAC 485.175 is hereby amended to read as follows:

485.175 1. If on two or more occasions within a 12-month period:

(a) The system maintained by an insurer to respond to an electronic query by the Department requesting the insurer to verify a motor vehicle liability policy:

(1) Is unavailable and the insurer fails to notify the Department; or

(2) Is unavailable for a total of 24 hours or more during a month; or

(b) An insurer ~~[fails]~~ :

(1) Fails to submit records required pursuant to NAC 485.160 ~~[or 485.170.]~~ ;

(2) Fails to maintain the information required to be included in a record pursuant to NAC 485.155;

(3) Confirms a motor vehicle liability policy which does not meet the requirements set forth in NRS 485.185 or 485.186;

(4) Fails to submit a record using the procedure and format prescribed on the Internet website of the Department at www.dmvnv.com/insuranceagents.htm; or

(5) Violates any other provision of this chapter relating to the maintenance of or access to records pursuant to NRS 485.314,

→ the Department will consider the insurer to be in noncompliance with the provisions of NRS 485.314.

2. If the Department determines pursuant to subsection 1 that an insurer is in noncompliance with NRS 485.314, the Department will notify the Commissioner of Insurance and will not provide to that insurer , *until the Department determines that the insurer is in compliance with NRS 485.314*, information regarding:

- (a) A driver's license;
- (b) The registration of a vehicle; or
- (c) The title of a vehicle . ~~;~~

~~→ until such time as the Department receives from that insurer a response to each electronic query to which the insurer failed to respond while its system was unavailable or each record that the insurer previously failed to submit.]~~

Sec. 3. NAC 485.170 is hereby repealed.

TEXT OF REPEALED SECTION

NAC 485.170 Correction of error in record. (NRS 485.130, 485.313, 485.314)

1. If the Department receives from an insurer a record that contains an error, the Department will return the record to the insurer for correction.
2. Upon receipt of a record that is returned for correction pursuant to subsection 1, the insurer shall correct the error and resubmit the record to the Department not later than 5 p.m. on the seventh business day after the insurer receives the returned record.

NOTICE OF ADOPTION OF REGULATION

The Nevada Department of Motor Vehicles adopted regulations assigned LCB File No. R045-12, which pertain to chapter number 485 of the Nevada Administrative Code, on September 21, 2012. A copy of the regulations as adopted is attached hereto.

INFORMATIONAL STATEMENT

AS REQUIRED BY ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066

LCB FILE NO. R045-12

September 21, 2012

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) 485:

- 1. A description of how public comment was solicited, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.**

Copies of the proposed regulation, notices of workshop and notices of intent to act upon the regulations were sent out for posting by electronic mail to all DMV offices and county libraries where there is not a DMV office. They were also sent out by electronic mail to all insurance industry contacts that the Department keeps on record. They were also made available on the Department of Motor Vehicles website at www.dmvnv.com/publicmeetings.htm.

A Public Workshop was noticed on June 20, 2012, and held on July 10, 2012 at the Nevada State Legislative Building in Carson City and video-conferenced to the Grant Sawyer Building in Las Vegas. Fifteen members from the Department and business industry attended the workshop. Four attendees gave testimony. Four written comments were submitted. Concerns were addressed and the regulations were revised accordingly.

A Notice of Intent to Act upon the Regulations was noticed on August 6, 2012, and a public hearing was held on September 11, 2012. Three attendees from the insurance industry gave testimony and three written comments were submitted. Concerns were addressed and the regulations were revised accordingly.

A recording of the Public Workshop and Notice of Intent to Act upon the Regulations is on file at the Department of Motor Vehicles, Management Services and Programs Division, 555 Wright Way, Carson City, Nevada 89711. Copies of these minutes may be obtained by written request to Attention Pete Olson, Department of Motor Vehicles, Management Services and Programs Division, 555 Wright Way, Carson City, Nevada 89711.

2. The number of persons who:

(a) Attended the workshop; 15

In attendance in Carson City – 11

Debbie Wilson, Department of Motor Vehicles (Workshop's Hearing Officer)

Bernadette Nieto, Department of Motor Vehicles

Pete Olson, Department of Motor Vehicles

Rhonda Bavaro, Department of Motor Vehicles

Bruce Breslow, Department of Motor Vehicles

Doreen Rigsby, Department of Motor Vehicles

Frank Maiden, Department of Motor Vehicles

Kay Lockhart, NIIA

Elena Ahrens, Nevada Division of Insurance

Mark Sektnan, Property Casualty Insurers

Lori Sothan, State Farm Insurance Company

Paul Danner, State Farm Insurance Company

In attendance in Las Vegas – 4

Kevin Malone, Department of Motor Vehicles

Adriane Roberts-Larson, Department of Motor Vehicles

James Schallert, NV General Insurance Company

Name Unknown, NV General Insurance Company

(b) Testified at the workshop; 4

Kay Lockhart, NIIA

Paul Danner, State Farm Insurance Company

Mark Sektnan, Property Casualty Insurers

James Schallert, NV General Insurance Company

(c) Submitted to the agency written statements; 4

Chris ElHindi, Progressive Insurance

James Schallert, Nevada General Insurance Company

Mark Sektnan, Property Casualty Insurers

Home Office, State Farm Insurance Company

(d) Attended the hearing; 11

In attendance in Carson City – 9

Debbie Wilson, Department of Motor Vehicles (Hearings Officer)

Troy Dillard, Department of Motor Vehicles

Bernadette Nieto, Department of Motor Vehicles

Rhonda Bavaro, Department of Motor Vehicles

Doreen Rigsby, Department of Motor Vehicles

Kevin Malone, Department of Motor Vehicles

Elena Ahren, Nevada Division of Insurance

Kay Lockhart, NIIA

Jeanette Belz, Property Casualty Insurers

In attendance in Las Vegas – 2
Kevin Malone, Department of Motor Vehicles
Paul Danner, State Farm Insurance

(e) Testified at the hearing - 3
Paul Danner, State Farm Insurance
Kay Lockhart, NIIA
Jeanette Belz, Property Casualty Insurers

(f) Submitted to the agency written statements – 3
Mark Sektnan, Property Casualty Insurers
Paul Danner, State Farm Insurance
Steven Suchil, American Insurance Association

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited using electronic mail and postings as described in Question 1 for both the Workshop and the Hearing. Copies of the minutes may be obtained by written request to Attention Pete Olson, Department of Motor Vehicles, Management Services and Programs Division, 555 Wright Way, Carson City, Nevada 89711.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The proposed draft regulations were submitted to LCB for review on March 21, 2012, prior to the public workshop and hearing. Changes were made following the workshop and hearing. The final adopted regulation reflects those changes.

5. The estimated economic effect of the adopted regulation on the businesses that it is to regulate and on the public. These must be stated separately, and each case must include:

(a) Both adverse and beneficial effects; and
The regulations will have no estimated adverse economic effect on businesses or on the public.

(b) Both immediate and long-term effects.
The regulations will have no estimated immediate or long-term economic effect on businesses or on the public.

6. The estimated cost to the agency for enforcement of the adopted regulation.

There is no additional cost to the Department of Motor Vehicles for the enforcement of the adopted regulations.

- 7. A description of any regulations of other state or government agencies that 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, the name of the regulating federal agency.**

There are no other state or federal government agency regulations that are duplicated or overlapped by the adopted regulations.

- 8. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

There are no federal regulations that regulate the same activity as addressed in the adopted regulations.

- 9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

The regulations do not provide new fees or increases in any existing fees.

- 10. Is the proposed regulation likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation, or expansion of a small business? What methods did the agency use in determining the impact of the regulation on small business?**

The Department of Motor Vehicles has determined that the adopted regulation does not impose a direct and significant economic burden on small businesses, nor will it restrict the formation, operation or expansion of small businesses.