

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R006-16

February 16, 2016

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

AUTHORITY: §1, NRS 679B.130 and 686B.030.

A REGULATION relating to insurance; revising certain provisions relating to filings an insurer is required to submit to the Division of Insurance of the Department of Business and Industry; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes the Commissioner of Insurance to adopt regulations necessary for the administration of the Nevada Insurance Code. (NRS 679B.130) Existing regulations interpret subsection 2 of NRS 686B.030 as requiring an insurer to submit certain filings to the Division of Insurance of the Department of Business and Industry. (NAC 686B.505) This regulation defines “force-placed insurance” and provides that the Commissioner will interpret subsection 2 of NRS 686B.030 as requiring an insurer to file with the Division its rules, rates, policy coverage forms, endorsements, application forms and declarations pages for force-placed insurance.

Section 1. NAC 686B.505 is hereby amended to read as follows:

686B.505 *1.* The Commissioner will interpret subsection 2 of NRS 686B.030 as requiring the following filings:

~~1-1~~ *(a)* Policy coverage forms, endorsements, application forms and declarations pages for all business and commercial insurance.

~~1-2~~ *(b)* Rules, rates, policy coverage forms, endorsements, application forms and declarations pages for the following types of insurance:

~~1-a~~ *(1)* Dwelling, up to 4 units;

~~1-b~~ *(2)* Personal inland marine, including, but not limited to, personal watercraft;

~~(e)~~ (3) Vehicle mechanical breakdown; ~~and~~

~~(d)~~ (4) Insurance for home protection which is regulated pursuant to NRS 690B.100 to 690B.180, inclusive ~~(f)~~; and

(5) Force-placed insurance.

2. As used in this section, “force-placed insurance” means single interest or dual interest insurance that is purchased by a creditor after a transaction:

(a) For coverage against loss, expense or damage to the property used as collateral as a result of fire, theft, collision or other risk of loss that would impair the interest of the creditor or adversely affect the value of the collateral;

(b) In accordance with the terms of the credit agreement as a result of the debtor’s failure to provide the required insurance; and

(c) The cost of which is charged to the debtor.