

**NOTICE OF INTENT TO ACT UPON REGULATION  
AND  
HEARING AGENDA**

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 September 29, 2017**, in the 1<sup>st</sup> Floor Hearing Room, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. Interested persons may also participate through a simultaneous videoconference conducted in the 4<sup>th</sup> Floor Nevada Room at the Nevada State Business Center/Division of Insurance, 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102. The purpose of the hearing is to receive comments from all interested persons regarding the adoption, amendment or repeal of regulations pertaining to chapter 679B of the Nevada Administrative Code (“NAC”).

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

**LCB File No. R026-17. Electronic Transactions For Insurance-Related Notices.**

A regulation relating to insurance; setting forth requirements for the verification or acknowledgement of receipt for certain notices that are delivered by electronic means; and providing other matters properly relating thereto.

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

*The purpose of this regulation is to clarify the verification process for the electronic delivery of a notice or document pertaining to an insurance transaction. The notices addressed by this regulation include any notice required pursuant to NRS 687B.310 to 687B.420, inclusive, which encompass notices of cancellation, non-renewal, anniversary cancellation, and renewal with altered terms. The proposed regulation further clarifies that, if an insurer is unable to obtain verification of electronic receipt by the policyholder, the insurer must deliver or mail the notice to the insured in accordance with subsection 6 of NRS 687B.310.*

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

*The proposed regulation amends NAC 679B.0409(5) to clarify the verification process for the electronic delivery of a notice or document pertaining to an insurance transaction for notices required pursuant to NRS 687B.310 to 687B.420, and for the insurer to deliver or mail the notice in accordance with subsection 6 of NRS 687B.310 if an insurer is unable to obtain verification of receipt of the electronic delivery by the policyholder.*

- (3) What is the anticipated impact of the regulation on the problem(s)?

*The proposed regulation provides guidelines to the insurers on the steps they must take to first verify the electronic delivery of notices/documents, including notices of cancellation and non-renewal of insurance. It further clarifies the insurers’ duty if electronic verification is not*

*achieved. The anticipated effect of the regulation is that insureds (public) will not have an insurance policy terminated without receiving proper notice.*

(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?

*This is a consumer-friendly regulation which ensures that members of the public do not unknowingly have their insurance policies cancelled or non-renewed, or remain unaware of any other notification by their insurer, simply because of a failure of electronic delivery of insurance-related notices.*

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

a. Public

1. Immediate: *Will benefit from the requirement of important insurance-related notices being mailed as a safeguard against non-delivery of such notices electronically.*

2. Long Term: *Will benefit from the requirement of important insurance-related notices being mailed as a safeguard against non-delivery of such notices electronically.*

b. Insurance Business

1. Immediate: *Benefits from being able to deliver important insurance-related notices to its policyholders.*

2. Long Term: *Benefits from being able to deliver important insurance-related notices to its policyholders.*

c. Small Businesses

1. Immediate: *None*

2. Long Term: *None*

d. Small Communities

1. Immediate: *None*

2. Long Term: *None*

e. Government Entities

1. Immediate: *None*

2. Long Term: *None*

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

a. Public

1. Immediate: *None*

- 2. Long Term: *None*
- b. Insurance Business
  - 1. Immediate: *None*
  - 2. Long Term: *None*
- c. Small Businesses
  - 1. Immediate: *None*
  - 2. Long Term: *None*
- d. Small Communities
  - 1. Immediate: *None*
  - 2. Long Term: *None*
- e. Government Entities
  - 1. Immediate: *None*
  - 2. Long Term: *None*

- (9) What is the anticipated cost of the regulation, both direct and indirect?
- a. Enactment: *None*
  - b. Enforcement: *None*
  - c. Compliance: *None*

- (10) Does the regulation establish a new fee or increase an existing fee?

*There are no new fees or increases to existing fees.*

- (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.

*See attached.*

- (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.

*None.*

- (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 actions 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 September 15, 2017.** 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 adopted, amended or repealed will be on file at the State Library, 100 North Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation will be available at the offices of the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, and 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102, 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://leg.state.nv.us/register/>. Copies of this notice and the proposed regulation will 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.

Notice of the hearing was provided via electronic means to all persons on the agency's e-mail list for administrative regulations, and this Notice of Intent to Act Upon Regulation was posted to the agency's Internet Web site at <http://doi.nv.gov/> and was provided to or posted at the following locations:

Nevada Division of Insurance  
1818 East College Parkway, Suite 103  
Carson City, Nevada 89706

Nevada State Business Center  
3300 West Sahara Avenue  
Las Vegas, Nevada 89102

Legislative Building  
401 South Carson Street  
Carson City, Nevada 89701

Grant Sawyer Building  
555 East Washington Avenue  
Las Vegas, Nevada 89101

Blasdel Building  
209 East Musser Street  
Carson City, Nevada 89701  
Nevada Department of Employment,  
Training and Rehabilitation  
2800 E. Saint Louis Ave.  
Las Vegas, NV 89104

Capitol Building Main Floor  
101 North Carson Street  
Carson City, Nevada 89701  
Nevada State Library & Archives  
100 North Stewart Street  
Carson City, Nevada 89701

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

Churchill County Library  
553 South Main Street  
Fallon, Nevada 89406

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

Elko County Library  
720 Court Street  
Elko, Nevada 89801

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

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

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

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

Las Vegas-Clark County Library District  
7060 W. Windmill Lane  
Las Vegas, NV 89113

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

Lyon County Library  
20 Nevin Way  
Yerington, Nevada 89447

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

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

Storey County Clerk  
P.O. Drawer D  
Virginia City, Nevada 89440

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

Washoe County/Downtown Reno Library  
P.O. Box 2151  
Reno, Nevada 89505-2151

White Pine County Library  
950 Campton Street  
Ely, Nevada 89301

Members of the public who would like additional information about the proposed regulation may contact Erin Summers, Actuarial Analyst for the Property and Casualty Section, at (775) 687-0765, or via e-mail to [esummers@doi.nv.gov](mailto:esummers@doi.nv.gov).

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, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

DATED this \_\_\_\_ day of August, 2017.

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BARBARA D. RICHARDSON  
Commissioner of Insurance

**HEARING AGENDA**

The State of Nevada, Department of Business and Industry, Division of Insurance

**September 29, 2017 • 9:30 a.m.**

**Location of Hearing:**

Nevada Division of Insurance  
1818 E. College Pkwy., 1<sup>st</sup> Floor Hearing Room  
Carson City, NV 89706  
(Division Offices located in Suite 103)

**Available via Videoconference at:**

Nevada Division of Insurance  
3300 W. Sahara Ave., 4<sup>th</sup> Floor Nevada Room  
Las Vegas, NV 89102  
(Division Offices located in Suite 275)

1. Open Hearing: R026-17.
2. Presentation, Discussion and Adoption of Proposed Regulation. (For Possible Action)

**LCB File No. R026-17. Electronic Transactions For Insurance-Related Notices.**

A regulation relating to insurance; setting forth requirements for the verification or acknowledgement of receipt for certain notices that are delivered by electronic means; and providing other matters properly relating thereto.

3. Public Comment.
4. Close Hearing: R026-17.
5. Adjournment.

Supporting public material for this hearing may be requested from Susan Bell, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, (775) 687-0704, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; items may be pulled or removed from the agenda at any time; and, discussion relating to an item may be delayed or continued at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public comment may be limited to three minutes per speaker.

Members of the public are encouraged to submit written comments for the record.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Commissioner's secretary, in writing, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

NOTICES FOR THIS HEARING HAVE BEEN POSTED IN ACCORDANCE WITH NRS 241 AT THE FOLLOWING LOCATIONS:

Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706

Nevada State Business Center, 3300 W. Sahara Avenue, Las Vegas, Nevada 89102

Nevada State Legislative Building, 401 S. Carson Street, Carson City, Nevada 89701

Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101

Blasdel State Office Building, 209 E. Musser Street, Carson City, Nevada 89701

Nevada State Capitol, 101 N. Carson Street, Carson City, Nevada 89701

Nevada Dept. of Employment, Training and Rehabilitation, 2800 E. Saint Louis Avenue, Las Vegas, Nevada 89104

The State of Nevada Website ([www.nv.gov](http://www.nv.gov))

The Nevada State Legislature Website ([www.leg.state.nv.us](http://www.leg.state.nv.us))

The Nevada Division of Insurance Website ([www.doi.nv.gov](http://www.doi.nv.gov))