

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R132-01

October 16, 2001

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

AUTHORITY: §1, NRS 679B.130 and 689.720.

Section 1. Chapter 689 of NAC is hereby amended by adding thereto a new section to read as follows:

- 1. If a prepaid contract for funeral services is terminated pursuant to NRS 689.355, 689.365, 689.575 or 689.580 on or after October 1, 2001, the interest earned pursuant to the contract must be returned to the buyer.*
- 2. A prepaid contract for funeral services that has not been terminated must earn interest during the entire term of the contract, regardless of the effective date of the contract.*
- 3. A prepaid contract for funeral services must not specify a rate of interest less than 5 percent during the term of the contract. If there is no express contract in writing fixing a different rate of interest, interest on a prepaid contract for funeral services must be allowed at the rate established pursuant to NRS 99.040.*
- 4. A refund, if any, and any earned interest must be paid within 30 days after the termination of a prepaid contract for funeral services.*