

LCB File No. R082-06

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

**NOTICE OF WORKSHOPS TO SOLICIT COMMENTS ON
PROPOSED REGULATIONS**

The Department of Business and Industry, Division of Insurance (Division), is proposing new regulations pertaining to exemption from filing for certain qualified insurers and address change for the Division of Insurance. A workshop has been set for **9:00 a.m., on May 18, 2006**, at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Interested parties may also participate through a simultaneous video-conference conducted at the Bradley Building, 2501 East Sahara Avenue, Manufactured Housing Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104. The purpose of the workshop is to solicit comments from interested persons on the following general topics addressed in the proposed regulations.

1. **Exemption from filing for certain qualified insurers. The purpose of the amendment to the Nevada Administrative Code (NAC) 680A.172 will clearly establish that the nature of the filing exemption for certain qualified insurers is not a permanent exemption. Instead, the request for the exemption must be made on an annual basis.**
2. **Address change for the Division of Insurance. This regulation amends Chapters 686B, 689A, and 689C of the NAC to reflect the correct address for the Division of Insurance.**

A copy of this notice and the proposed regulations will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulations will be available at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, and 2501 East Sahara Avenue, Suite 302, Las Vegas, Nevada 89104, 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 regulations 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 **www.leg.state.nv.us**. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

This Notice of Workshop to Solicit Comments on Proposed Regulations has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations:

Department of Business and Industry
Division of Insurance
788 Fairview Drive, Suite 300
Carson City, NV 89701

Department of Business and Industry
Division of Insurance
2501 East Sahara Avenue, Suite 302
Las Vegas, NV 89104

Legislative Counsel Bureau
Capitol Complex
Carson City, NV 89710

Blasdel Building
Capitol Complex
Carson City, NV 89710

State Capitol
Capitol Complex
Carson City, NV 89710

Capitol Press Room
State Capitol Basement
Carson City, NV 89710

County Clerk
Courthouse
Carson City, NV 89710

Nevada State Library & Archives
Capitol Complex
Carson City, NV 89710

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

Churchill County Library
553 South Maine Street
Fallon, NV 89406

Las Vegas Library
833 Las Vegas Blvd. North
Las Vegas, NV 89101

Douglas County Library
1625 Library Lane
P.O. Box 337
Minden, NV 89423

Elko County Library
720 Court Street
Elko, NV 89801

Goldfield Public Library
Fourth & Cook Street
P.O. Box 430
Goldfield, NV 89013

Eureka Branch Library
10190 Monroe Street
P.O. Box 293
Eureka, NV 89316

Humboldt County Library
85 East 5th Street
Winnemucca, NV 89445

Battle Mountain Branch Library
P.O. Box 141
Battle Mountain, NV 89820

Lincoln County Library
93 Main Street
P.O. Box 330
Pioche, NV 89043

Lyon County Library
20 Nevin Way
Yerington, NV 89447

Mineral County Library
First & A Street
P.O. Box 1390
Hawthorne, NV 89415

Tonopah Public Library
171 Central Street
P.O. Box 449
Tonopah, NV 89049

Pershing County Library
1125 Central Avenue
P.O. Box 781
Lovelock, NV 89419

Storey County Library
95 South R Street
P.O. Box 14
Virginia City, NV 89440

Washoe County Library
Attn: Reference
P.O. Box 2151
Reno, NV 89505-2151

White Pine County Library
950 Campton Street
Ely, NV 89301

Clark County Library
1401 East Flamingo Road
Las Vegas, NV 89119

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 at 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, or by calling no later than 5 working days prior to the hearing, (702) 687-4270, extension 260.

NOTICE OF INTENT TO ACT UPON REGULATIONS

Notice of Hearing for the Adoption of Regulations of the Department of Business and Industry, Division of Insurance

The Department of Business and Industry, Division of Insurance (Division), will hold a public hearing at **9:00 a.m., on May 18, 2006**, immediately following a public workshop, at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Interested persons may also participate through a simultaneous video-conference conducted at the Bradley Building, 2501 East Sahara Avenue, Manufactured Housing Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of:

PROPOSED AMENDMENT TO THE NEVADA ADMINISTRATIVE CODE (NAC) 680A.172 CONCERNING THE EXEMPTION FROM FILING FOR CERTAIN QUALIFIED INSURERS

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. The purpose of the amendment to NAC 680A.172 will clearly establish that the nature of the filing exemption for certain qualified insurers is not a permanent exemption. Instead, the request for the exemption must be made on an annual basis.
2. The substance of the proposed amendment to chapter 680A.172 of the NAC is to eliminate any confusion between insurers and the Division as to the nature of the exemption when granted such that it is not a permanent exemption.
3. There is no perceived economic impact upon insurers or the public.
4. There is no impact upon small businesses. The exemption is specifically designed to benefit new, small business activity until such time as they are established.
5. The Division will not incur additional expense for enforcement of the proposed regulation.
6. The Division is not aware of any overlap or duplication of the regulation with any state, local, or federal regulation.
7. The proposed regulation is not pursuant to federal law.
8. There are no federal regulations relevant to this activity.
9. The proposed regulation does not establish any new fees or increase any existing fee.

Persons wishing to comment upon the proposed action 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, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Written submissions must be received by the Division on or before May 11, 2006. 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 proposed regulation will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation will be available at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, and 2501 East Sahara Avenue, Suite 302, Las Vegas, Nevada 89104, 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://www.leg.state.nv.us>. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will 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.

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Division of Insurance
788 Fairview Drive, Suite 300
Carson City, NV 89701

Department of Business and Industry
Division of Insurance
2501 East Sahara Avenue, Suite 302
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P.O. Box 337
Minden, NV 89423

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720 Court Street
Elko, NV 89801

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Fourth & Cook Street
P.O. Box 430
Goldfield, NV 89013

Eureka Branch Library
10190 Monroe Street
P.O. Box 293
Eureka, NV 89316

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85 East 5th Street
Winnemucca, NV 89445

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P.O. Box 141
Battle Mountain, NV 89820

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Pioche, NV 89043

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First & A Street
P.O. Box 1390
Hawthorne, NV 89415

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20 Nevin Way
Yerington, NV 89447

Tonopah Public Library
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Tonopah, NV 89049

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P.O. Box 781
Lovelock, NV 89419

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95 South R Street
P.O. Box 14
Virginia City, NV 89440

Washoe County Library
ATTN: Reference
P.O. Box 2151
Reno, NV 89505-2151

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**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

**PROPOSED REGULATION FOR THE EXEMPTION FROM FILING
FOR CERTAIN QUALIFIED INSURERS**

AUTHORITY: NRS 679B.130, 680A.265

Section 1. NAC 680A.172 is hereby amended to read as follows:

680A.172. For the purposes of NRS 680A.265, the Commissioner will find that good cause exists for the exemption of an insurer from the requirements of NRS 680A.265 for the year if, at the end of the most previous calendar year, the insurer has direct premiums written in this State in an amount which is less than \$1,000,000 and has less than 1,000 policyholders, certificate holders, enrollees, members or subscribers of directly written policies in the United States unless:

1. The Commissioner makes a specific finding that compliance by that insurer is necessary for the Commissioner to carry out his statutory responsibilities; or
2. The insurer has assumed premiums pursuant to contracts or treaties of reinsurance in an amount of \$1,000,000 or more.

The exemption, if granted, will be applicable for the requested previous calendar year only.