

**ADOPTED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**LCB File No. R108-10**

Effective September 14, 2012

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

AUTHORITY: §1, NRS 679B.130.

A REGULATION relating to insurance; revising provisions relating to prelicensing requirements for persons involved in the sale or administration of insurance; and providing other matters properly relating thereto.

**Section 1.** NAC 683A.170 is hereby amended to read as follows:

683A.170 1. NAC 683A.170 to 683A.261, inclusive, do not apply to:

(a) A person applying for a nonresident license.

(b) A person exempted from the requirement of taking the licensing examination by NRS 683A.291.

(c) A person who has been employed by an insurer for at least 10 years and has been actively involved in the underwriting of insurance or settling claims.

(d) A person with at least 10 years' current experience as a licensed insurance producer. For the purposes of this paragraph, "current" means active employment as a producer of insurance within the last 15 years.

(e) A person who:

(1) Pursuant to NAC 683A.325, is subject to the provisions of NAC 683A.318 to 683A.370, inclusive; and

(2) Successfully completes, within the 12 months immediately preceding his application for a license, 30 hours of continuing education in courses approved by the Division pursuant to NAC 683A.318 to 683A.370, inclusive.

*(f) A person who has earned and continues to maintain a designation, for the line of authority of:*

*(1) Life insurance, as a:*

- (I) Certified employee benefit specialist (CEBS);*
- (II) Certified financial planner (CFP);*
- (III) Certified insurance counselor (CIC);*
- (IV) Chartered financial consultant (ChFC);*
- (V) Chartered life underwriter (CLU);*
- (VI) Fellow, life management institute (FLMI); and*
- (VII) Life underwriter training council fellow (LUTCF);*

*(2) Accident and health insurance, as a:*

- (I) Certified employee benefit specialist (CEBS);*
- (II) Health insurance associate (HIA);*
- (III) Registered employee benefits consultant (REBC); and*
- (IV) Registered health underwriter (RHU); and*

*(3) Casualty insurance, personal lines of insurance or property insurance, as*

- (I) An accredited adviser in insurance (AAI);*
- (II) An associate in risk management (ARM);*
- (III) A certified insurance counselor (CIC); and*
- (IV) A chartered property casualty underwriter (CPCU).*

2. A person claiming that he is exempt from the requirements of NAC 683A.170 to 683A.261, inclusive, pursuant to:

(a) Paragraph (c) of subsection 1 must submit to the Division:

(1) A written claim of exemption; and

(2) Documentation from the insurer by which he has been employed indicating that he has met the requirements of that paragraph.

(b) Paragraph (d) of subsection 1 must submit to the Division:

(1) A written claim of exemption; and

(2) Documentation from the entity by which he has been licensed indicating that he has met the requirements of that paragraph.

*(c) Paragraph (f) of subsection 1 must submit to the Division:*

*(1) A written claim of exemption; and*

*(2) Documentation from the entity by which the person has been designated indicating that the person has met the requirements of that paragraph.*

**NRS 233B.066**  
**INFORMATIONAL STATEMENT**

Re: Proposed Regulation Concerning Prelicensing Education Exemptions  
LCB File No. R108-10, Division's Cause No. 10.0366

A workshop was held on August 1, 2012, and a hearing was held on August 10, 2012, at the hearing room of the Department of Business and Industry, Division of Insurance ("Division"), located at 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, with a simultaneous videoconference conducted at the Bradley Building, 2501 E. Sahara Avenue, Las Vegas, Nevada 89104, in regard to adoption of the regulation concerning exemptions to prelicensing and education requirements.

Public comment was solicited by posting notices of the workshop and hearing in the following public locations: the Division's Web site, the Division's Carson City and Las Vegas offices, Carson City Courthouse, Office of the Attorney General, Capitol Building Lobby, Capitol Building Press Room, Blasdel Building, and Legislative Counsel Bureau; and by providing the notices of the workshop and hearing to: the Donald W. Reynolds Press Center, Nevada State Library, Carson City Library, Churchill County Library, Clark County District Library, Douglas County Library, Elko County Library, Esmeralda County Library, Eureka Branch Library, Humboldt County Library, Lander County Library, Lincoln County Library, Lyon County Library, Mineral County Library, Pershing County Library, Storey County Library, Tonopah Public Library, Washoe County Library, and White Pine County Library.

The Division maintains an e-mail list of interested parties, comprised mainly of insurance companies, agencies, and other persons regulated by the Division. These persons were notified of the workshop and hearing and that a copy of the regulation could be obtained from or examined on the Division's Internet Web site.

The August 1, 2012 workshop was attended by three (3) interested members of the public in Carson City and three (3) in Las Vegas. The proposed regulation was presented orally by Joy Miller, Producer Licensing Chief, on behalf of the Division. No prior written comments were received from the public. Kay Lockhart provided testimony in support of the proposed regulation.

<b>Name</b>	<b>Organization Represented</b>	<b>Business Address</b>	<b>Business Telephone Number</b>	<b>Electronic Mail Address</b>
Kay Lockhart	Nevada Independent Insurance Agents (NIIA)	P.O. Box 645 Carson City, NV 89702	(775)882-1366	kay@niiia.org

The August 10, 2012 hearing was attended by two (2) interested members of the public in Carson City and three (3) in Las Vegas. The proposed regulation was presented orally by Joy Miller, Producer Licensing Chief, on behalf of the Division. No prior written comments were

received from the public. Jim Wadhams, Esq. provided testimony in support of the proposed regulation.

<b>Name</b>	<b>Organization Represented</b>	<b>Business Address</b>	<b>Business Telephone Number</b>	<b>Electronic Mail Address</b>
Jim Wadhams, Esq.	Fennemore Craig Jones Vargas	300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101	(702) 692-8039	jwadhams@fclaw.com

Based upon the testimony provided at the workshop and hearing, the regulation, LCB File No. R108-10, was adopted, as proposed.

The economic impact of the regulation is as follows:

- (a) On the business it is to regulate: **Neutral effect:** No adverse effects are anticipated.
- (b) On the small businesses: **Neutral effect:** This regulation provides reference to the specific professional designations that would be exempt from completing Nevada's prelicensing education requirements. No adverse effects are anticipated.
- (c) On the public: **Neutral effect:** This regulation specifies the educational and professional designations necessary to qualify for prelicensing exemption in this state. No adverse effects are anticipated.

The Division will not incur any additional expense to enforce this regulation.

The Division is not aware of any overlap or duplication of the regulation with any state, local or federal regulation.

STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
DIVISION OF INSURANCE

IN THE MATTER OF THE

CAUSE NO. **10.0366**  
LCB FILE NO. **R108-10**

**REGULATION CONCERNING  
PRELICENSING EDUCATION  
EXEMPTIONS**

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**SUMMARY OF PROCEEDINGS  
AND ORDER**

**SUMMARY OF PROCEEDINGS**

A public workshop, as required by Nevada Revised Statute (“NRS”) 233B.061, on the proposed regulation concerning exemptions to prelicensing and education requirements was held before Amy L. Parks, Esq. (“Hearing Officer”), on August 1, 2012, at the office of the Nevada Division of Insurance (“Division”) in Carson City, Nevada, and videoconferenced to the Las Vegas office, located in the Bradley Building in Las Vegas, Nevada. A public hearing on the proposed regulation was also held before the Hearing Officer, on August 10, 2012, in Carson City, Nevada, and videoconferenced to the Bradley Building in Las Vegas, Nevada. The regulation is proposed under the authority of NRS 679B.130.

The workshop was attended by three (3) members of the public in Carson City and three (3) members of the public in Las Vegas. The hearing was attended by two (2) members of the public in Carson City and three (3) members of the public in Las Vegas. No written comments were received.

During the workshop, Ms. Joy Miller, Chief of Producer Licensing, testified on behalf of the Division. Ms. Miller explained that this regulation amends NAC 683A.170 by including a prelicensing education exemption to a person who has earned and continues to maintain certain designations in lines of authority such as life insurance, accident and health insurance, casualty insurance, personal lines of insurance, or property insurance. Ms. Miller also explained that the

proposed prelicensing education exemptions are consistent with the National Association of Insurance Commissioners' licensing guidelines. Kay Lockhart, representing the Nevada Independent Insurance Agents, provided testimony in support of the proposed regulation.

During the hearing, Ms. Miller presented the proposed regulation and summarized the proceedings of the workshop. Jim Wadhams, Esq., representing the Nevada Independent Insurance Agents, provided testimony in support of the proposed regulation. Ms. Miller clarified for the record that a non-resident licensee is exempt from Nevada's prelicensing education requirements because the licensee is already required to meet the requirements of his or her own home state. Ms. Miller then recommended that the proposed regulation, LCB File No. R108-10, be adopted without further amendment.

**RECOMMENDED ORDER OF THE HEARING OFFICER**

Based upon the testimony received at the workshop and hearing, and the written comments received, if any, it is hereby recommended that the regulation concerning prelicensing education exemptions, LCB File No. R108-10, be adopted, as proposed, as a permanent regulation of the Division. See Exhibit A.

SO RECOMMENDED this 28th day of August, 2012.

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/s/  
AMY L. PARKS  
Hearing Officer

**ORDER OF THE COMMISSIONER**

Having reviewed the record in this matter and the recommendation of the Hearing Officer, it is hereby ordered that the regulation concerning prelicensing education exemptions,

LCB File No. R108-10, be adopted, as proposed, as a permanent regulation of the Division. See  
Exhibit A.

SO ORDERED this 28th day of August, 2012.

SCOTT J. KIPPER  
Commissioner of Insurance

By: \_\_\_\_\_/s/\_\_\_\_\_  
TODD RICH  
Deputy Commissioner  
with Delegation of Authority (See Exhibit B)