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ASSEMBLY BILL NO. 45—COMMITTEE  
ON COMMERCE AND LABOR

(ON BEHALF OF THE DIVISION OF INSURANCE OF THE  
DEPARTMENT OF BUSINESS AND INDUSTRY)

PREFILED NOVEMBER 18, 2020

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Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to insurance.  
(BDR 57-316)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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

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AN ACT relating to insurance; providing for the termination, under certain circumstances, of various licenses, permits, certificates of registration, certificates of authority and other authorizations to engage in an activity relating to insurance; revising provisions relating to bonds filed by various persons regulated by the Commissioner of Insurance; revising provisions governing service of process on certain insurers; revising provisions governing the issuance, renewal and expiration of various licenses, permits, certificates of registration and other authorizations to engage in an activity relating to insurance; revising provisions relating to fees paid by various persons regulated by the Commissioner; setting forth requirements relating to certain policies of stop-loss insurance; revising provisions governing coverage for maternity care and pediatric care; revising provisions governing misleading advertisements by certain persons regulated by the Commissioner; revising provisions governing annual disclosures by certain persons regulated by the Commissioner; revising requirements relating to captive insurers and risk retention groups; revising requirements relating to investments by various persons regulated by the Commissioner; revising requirements relating to examinations and investigations of various persons regulated by the Commissioner; providing peace officer status to certain employees of the Division of Insurance of the Department of Business and Industry who enforce statutes and regulations governing insurance and investigate violations of such statutes or regulations; revising provisions governing the applicability of laws to various persons regulated by the Commissioner; transferring duties for the licensing and regulation of employee leasing companies from the Administrator of the Division of Industrial Relations of the Department to the Commissioner; and providing other matters properly relating thereto.



**Legislative Counsel's Digest:**

1 Existing law authorizes the Commissioner of Insurance to regulate insurance in  
2 this State. (NRS 679B.120, 679B.130) This bill adds to, revises and repeals various  
3 provisions of existing law relating to the regulation of insurance, primarily in title  
4 57 of NRS.

5 Existing law authorizes the Commissioner to issue various licenses, permits,  
6 certificates of registration, certificates of authority and other authorizations to  
7 engage in an activity relating to insurance. (Title 57 of NRS) **Section 2** of this bill  
8 authorizes the Commissioner to terminate, under certain circumstances, any such  
9 license, permit, certificate of registration, certificate of authority or other  
10 authorization to engage in an activity relating to insurance.

11 Existing law requires a bond to be filed under certain circumstances by various  
12 persons regulated by the Commissioner. (NRS 692A.1041) **Section 3** of this bill  
13 sets forth requirements for, and procedures relating to, such bonds. **Section 49** of  
14 this bill indicates the placement of **sections 2 and 3** within chapter 679B of NRS.

15 Existing law provides for service of process on certain insurers by serving the  
16 Commissioner. (NRS 680A.260) **Section 4** of this bill revises the procedure for  
17 such service of process.

18 Existing law sets forth various fees applicable to persons and entities regulated  
19 by the Commissioner. (NRS 680B.010) **Section 5** of this bill adds fees relating to  
20 agents who perform utilization reviews, motor clubs, motor club agents, title plant  
21 companies and service contract providers. **Sections 14, 51, 56, 72 and 73** of this  
22 bill delete the same fees from the sections of the individual chapters which govern  
23 those specific persons and entities but the fees all remain unchanged.

24 Existing law provides for fees to be collected by the Commissioner for deposit  
25 in the Fund for Insurance Administration and Enforcement. (NRS 680C.110) These  
26 fees are paid by various persons regulated by the Commissioner, including service  
27 contract providers. (NRS 690C.160) **Section 6** of this bill makes conforming  
28 changes to account for the fee paid by service contract providers for deposit in the  
29 Fund being changed from an annual fee to a biennial fee in **section 51** of this bill.  
30 The amount of the fee remains unchanged.

31 Existing law requires a bond to be filed by a manager for reinsurance. (NRS  
32 681A.420) **Section 7** of this bill provides that the bond must meet the requirements  
33 set forth in **section 3**.

34 Existing law defines the term "equity interest" for the purposes of regulating  
35 investments by insurers. (NRS 682A.069) **Section 8** of this bill revises the  
36 definition to limit the instruments which qualify as equity interests.

37 Existing law provides that a certificate of registration as an administrator is  
38 valid for 3 years. (NRS 683A.08526) **Section 9** of this bill specifies the day on  
39 which the certificate expires after it is originally issued and after it is renewed.  
40 Existing law requires a bond to be filed by an administrator, a fraternal benefit  
41 society, an organization for dental care or its officers, a bail agent, a bail solicitor  
42 and a general agent. (NRS 683A.0857, 695A.060, 695D.180, 697.190) **Sections 10,**  
43 **60, 64 and 74** of this bill revise the requirements relating to the bond and provide  
44 that the bond must meet the requirements set forth in **section 3**.

45 Existing law provides for the licensure of managing general agents. (NRS  
46 683A.140, 683A.160) **Section 11** of this bill adds requirements for firms and  
47 corporations to qualify for licensure as managing general agents. **Section 12** of this  
48 bill adds requirements relating to: (1) the renewal of a license as a managing  
49 general agent; (2) the information included on the license; and (3) a change in a  
50 licensee's business, residence or electronic mail address.

51 Existing law provides for the licensure of producers of insurance. (NRS  
52 683A.261) **Section 13** of this bill revises the requirements relating to the renewal  
53 and reinstatement of a license as a producer of insurance.



54 Existing law provides for the renewal of a license as an insurance consultant.  
55 (NRS 683C.040) **Section 15** of this bill revises the requirements and adds  
56 requirements relating to: (1) the reinstatement of an expired license; (2) the  
57 information included on the license; and (3) a change in a licensee's business,  
58 residence or electronic mail address.

59 Existing law provides for the renewal of a license as an adjuster, a motor  
60 vehicle physical damage appraiser, a surplus lines broker, a bail agent, a bail  
61 enforcement agent, a bail solicitor and a general agent. (NRS 684A.130, 684B.080,  
62 685A.120, 697.230) **Sections 16, 19, 20 and 75** of this bill specify the day on  
63 which the license expires after it is originally issued and after it is renewed.

64 Existing law provides for the licensure of motor vehicle physical damage  
65 appraisers and requires a bond to be filed by a motor vehicle physical damage  
66 appraiser. (NRS 684B.020, 684B.030) **Section 17** of this bill revises the  
67 requirements relating to the bond and provides that the bond must meet the  
68 requirements set forth in **section 3**. Existing law provides that the fees paid by an  
69 applicant for a license as a motor vehicle physical damage appraiser must be  
70 refunded to the applicant if the application is refused. (NRS 684B.060) **Section 18**  
71 of this bill makes these fees nonrefundable.

72 Existing law requires a bond to be filed by a company which finances certain  
73 insurance premiums. (NRS 686A.330, 686A.360) **Section 21** of this bill revises the  
74 requirements relating to the bond and provides that the bond must meet the  
75 requirements set forth in **section 3**.

76 Existing law sets forth specific requirements for various types of insurance  
77 policies and contracts and the insurers who issue them. (Chapter 687B of NRS)  
78 **Sections 22-35** of this bill set forth new provisions to govern certain policies of  
79 stop-loss insurance. **Section 32** of this bill requires insurers who issue the policies  
80 of stop-loss insurance to report to the Commissioner the premiums written in this  
81 State for such policies. **Section 33** of this bill requires an insurer who issues a  
82 policy of stop-loss insurance relating to a group health plan to exercise reasonable  
83 diligence with regard to the legitimacy of and authority for the group health plan  
84 before issuing the policy. **Sections 34 and 35** of this bill: (1) require advance filing  
85 with the Commissioner of the policy forms for certain policies of stop-loss  
86 insurance, as well as advance approval from the Commissioner for the policy  
87 forms; and (2) set forth specific requirements for the contents of the policy forms.

88 Existing law requires a bond or other security to be provided by a viatical  
89 settlement investment agent, a broker of viatical settlements, a provider of viatical  
90 settlements or a person who obtains a seller's certificate of authority to sell prepaid  
91 contracts for funeral services. (NRS 688C.200, 689.125, 689.150, 689.185)  
92 **Sections 36 and 37** of this bill revise the requirements relating to the bond and  
93 provide that the bond must meet the requirements set forth in **section 3**.

94 Existing law provides for the renewal of an agent's license to solicit the sale of  
95 prepaid contracts for funeral services. (NRS 689.035, 689.150, 689.255) **Section 38**  
96 of this bill specifies the day on which the license expires after it is originally issued  
97 and after it is renewed.

98 Existing law requires a bond or other security to be provided by a person who  
99 obtains a seller's permit to sell prepaid contracts for burial services and burial  
100 merchandise. (NRS 689.125, 689.455, 689.460, 689.475, 689.495) **Section 39** of  
101 this bill revises the requirements relating to the bond and provides that the bond  
102 must meet the requirements set forth in **section 3**.

103 Existing law provides for the renewal of a seller's permit to sell prepaid  
104 contracts for burial services and burial merchandise. (NRS 689.125, 689.455,  
105 689.460, 689.475, 689.505) **Section 40** of this bill specifies the day on which the  
106 permit expires after it is originally issued and after it is renewed.

107 Existing law provides for the renewal of an agent's license to solicit the sale of  
108 prepaid contracts for burial services and burial merchandise. (NRS 689.035,



109 689.455, 689.460, 689.475, 689.530) **Section 41** of this bill specifies the day on  
110 which the license expires after it is originally issued and after it is renewed.

111 Existing law sets forth certain requirements concerning insurance coverage for  
112 maternity care and pediatric care in the context of individual health insurance,  
113 group and blanket health insurance and health insurance for small employers. (NRS  
114 689A.717, 689B.520, 689C.194) **Sections 42-44** of this bill revise the language in  
115 these existing provisions to be inclusive of different maternity circumstances.

116 Existing law requires a bond or other security to be provided by a group of  
117 persons who obtains a certificate of registration as a voluntary purchasing group.  
118 (NRS 689C.560) **Section 45** of this bill revises the requirements relating to the  
119 bond and provides that the bond must meet the requirements set forth in **section 3**.

120 Existing law governs service contract providers, including, without limitation,  
121 by providing for the issuance of certificates of registration as such a provider. (NRS  
122 690C.160) **Sections 46-48** of this bill add standard provisions relating to child  
123 support obligations of natural persons who apply for or hold certificates of  
124 registration. **Section 50** of this bill clarifies that a person must be issued a  
125 certificate of registration before issuing, selling or offering for sale any service  
126 contracts. **Section 51** of this bill revises requirements relating to initial applications  
127 for certificates of registration and applications for the renewal of certificates,  
128 including, without limitation, by adding requirements specific to applicants who are  
129 natural persons. **Section 51** also revises the requirements relating to the fee  
130 collected for deposit in the Fund for Insurance Administration and Enforcement.  
131 Existing law requires this fee to be paid every year. (NRS 690C.160) **Section 51**  
132 requires the fee be paid only once every 2 years. The amount of this fee remains  
133 unchanged. Conforming changes to account for this fee changing from an annual  
134 fee to a biennial fee are contained in **section 6**. Existing law further requires that a  
135 bond or other security be provided by a service contract provider. (NRS 690C.170)  
136 **Section 52** of this bill revises the requirements relating to the bond and provides  
137 that the bond must meet the requirements set forth in **section 3**. Finally, existing  
138 law sets forth requirements to prohibit false or misleading language or omissions in  
139 service contracts. (NRS 690C.260) **Section 53** of this bill expands these  
140 prohibitions to cover advertisements as well as service contracts, and expands the  
141 persons who must comply with these prohibitions to cover not only the provider,  
142 but also affiliates or business partners of the provider.

143 Existing law provides for the renewal of a license as an escrow officer. (NRS  
144 692A.103) **Section 54** of this bill revises these requirements and adds requirements  
145 relating to: (1) the reinstatement of an expired license; (2) the information included  
146 on the license; and (3) a change in a licensee's business, residence or electronic  
147 mail address.

148 Existing law requires a bond or other security to be provided by a title agent  
149 and a title insurer as a condition of doing business. (NRS 692A.1041) **Section 55** of  
150 this bill revises the requirements relating to the bond and provides that the bond  
151 must meet the requirements set forth in **section 3**.

152 Existing law requires each insurer or group of insurers each year to submit to  
153 the Commissioner a corporate governance annual disclosure containing certain  
154 information required by the Commissioner. (NRS 692C.3504) **Section 57** of this  
155 bill requires each insurer or insurance group, after the first such submission, to also  
156 submit an amended version of the previous year's disclosure which shows the  
157 changes made for the current year.

158 Existing law governs captive insurers. (Chapter 694C of NRS) Under existing  
159 law, a licensed captive insurer may apply for and be issued a certificate of  
160 dormancy. (NRS 694C.259) **Section 58** of this bill revises provisions governing:  
161 (1) qualifications needed for a certificate of dormancy; (2) the applicability of  
162 certain requirements to a dormant captive insurer; (3) renewal and expiration of a  
163 certificate of dormancy; and (4) requirements applicable to a captive insurer whose



164 certificate of dormancy expires. Existing law also sets forth requirements for a  
165 captive insurer to transact business. (NRS 694C.310) **Section 59** of this bill revises  
166 those requirements, including, without limitation, by providing for periodic reviews  
167 of persons who manage the affairs of a captive insurer.

168 Existing law governs nonprofit hospital and medical or dental service  
169 corporations. (Chapter 695B of NRS) **Section 61** of this bill expands the list of the  
170 provisions of law to which nonprofit hospital and medical or dental service  
171 corporations are expressly made subject.

172 Existing law governs health maintenance organizations. (Chapter 695C of  
173 NRS) **Section 62** of this bill expands the list of the provisions of law to which  
174 health maintenance organizations are expressly made subject.

175 Existing law governs organizations for dental care. (Chapter 695D of NRS)  
176 **Section 63** of this bill expands the list of the provisions of law to which  
177 organizations for dental care are expressly made subject.

178 Existing law governs risk retention groups. (Chapter 695E of NRS) Under  
179 existing law a risk retention group chartered in a state other than this State must  
180 comply with certain requirements before seeking to transact insurance as a risk  
181 retention group in this State. (NRS 695E.140) **Section 65** of this bill clarifies that  
182 such a risk retention group must comply with the existing statutory requirements  
183 including, without limitation, that the risk retention group must: (1) submit a  
184 statement of registration; and (2) pay any fees associated with the statement of  
185 registration. **Section 66** of this bill expands the list of the provisions of law to  
186 which risk retention groups and their agents and representatives are expressly made  
187 subject.

188 Existing law governs prepaid limited health service organizations. (Chapter  
189 695F of NRS) **Section 67** of this bill expands the list of the provisions of law to  
190 which prepaid limited health service organizations are expressly made subject.  
191 **Section 68** of this bill changes which provisions of law govern certain investments  
192 by prepaid limited health service organizations. **Section 69** of this bill revises  
193 provisions governing examinations and investigations of prepaid limited health  
194 service organizations.

195 Existing law provides for the renewal of a certificate as an exchange enrollment  
196 facilitator. (NRS 695J.140) **Section 70** of this bill revises the requirements for  
197 renewal.

198 Existing law requires a bond or other security to be provided by a person who  
199 renders or agrees to render motor club services. (NRS 696A.080) **Section 71** of this  
200 bill requires that the bond must meet the requirements set forth in **section 3**.

201 Existing law provides for the licensure of a club agent for a motor club. (NRS  
202 696A.300) **Section 73** of this bill specifies the day on which the license expires  
203 after it is originally issued and after it is renewed.

204 Existing law provides that the Commissioner and the chief deputy of the  
205 Commissioner are peace officers for certain limited purposes. (NRS 289.310)  
206 **Section 76** of this bill provides peace officer status for certain limited purposes to  
207 certain employees of the Division of Insurance of the Department of Business and  
208 Industry who enforce statutes and regulations governing insurance and investigate  
209 violations of such statutes and regulations.

210 Existing law governs employee leasing companies. (NRS 616B.670-616B.697)  
211 An employee leasing company is an entity which places regular, full-time  
212 employees of a client company on the employee leasing company's payroll and, for  
213 a fee, leases the employees to the client company. (NRS 616B.670) Pursuant to  
214 existing law, employee leasing companies are licensed and regulated by the  
215 Administrator of the Division of Industrial Relations of the Department of Business  
216 and Industry. (NRS 616A.040, 616A.100, 616B.673, 616B.694) **Sections 77 and**  
217 **80-85** of this bill transfer these duties from the Administrator of the Division to the  
218 Commissioner of Insurance. Specifically, **section 77** of this bill eliminates the



219 requirement in existing law that requires the Division to determine whether an  
220 employee leasing company is entitled to a certificate of registration. (NRS  
221 616A.465) Existing law prohibits a person from operating an employee leasing  
222 company in this State without obtaining a certificate of registration issued by the  
223 Administrator. (NRS 616B.673) **Section 80** of this bill transfers the duty to issue a  
224 certificate of registration from the Administrator to the Commissioner. Existing law  
225 requires an applicant for the issuance or renewal of a certificate of registration to  
226 operate an employee leasing company to submit to the Administrator a written  
227 application upon a form provided by the Administrator. (NRS 616B.676) **Section**  
228 **81** of this bill requires an applicant instead to submit an application to the  
229 Commissioner upon a form provided by the Commissioner. Existing law: (1)  
230 requires each application for a certificate of registration to operate an employee  
231 leasing company to include any information the Administrator requires; (2) requires  
232 an applicant to submit to the Administrator any change in the required application  
233 information; and (3) authorizes the Administrator to revoke the certificate of  
234 registration of an employee leasing company that fails to comply with certain  
235 statutory requirements. (NRS 616B.679) **Section 82** of this bill: (1) requires each  
236 application for a certificate of registration to operate an employee leasing company  
237 to include any information the Commissioner requires; (2) requires an applicant to  
238 submit to the Commissioner any change in the required application information;  
239 and (3) authorizes the Commissioner to revoke the certificate of registration of an  
240 employee leasing company that fails to comply with statutory requirements.  
241 Existing law authorizes the Administrator to adopt regulations setting forth  
242 qualifications for an assurance organization to act on behalf of an employee leasing  
243 company in complying with certain statutory requirements. (NRS 616B.693)  
244 **Section 83** of this bill authorizes instead the Commissioner to adopt the regulations.  
245 Existing law authorizes the Administrator generally to adopt regulations governing  
246 employee leasing companies. (NRS 616B.694) **Section 84** of this bill authorizes  
247 instead the Commissioner to adopt the regulations. Finally, **section 85** of this bill  
248 sets forth transitory provisions to account for the transferring of duties for the  
249 licensing and regulation of employee leasing companies from the Administrator to  
250 the Commissioner.

251 Existing law requires a bond or other security to be provided by a self-insured  
252 employer for the purposes of the statutes governing industrial insurance. (NRS  
253 616A.305, 616B.300) **Section 78** of this bill deletes requirements relating to  
254 termination of the bond. These existing provisions are subsumed within the new  
255 provisions in **section 3** governing bonds.

256 Existing law requires a bond or other security to be provided by an association  
257 of self-insured public or private employers for the purposes of the statutes  
258 governing industrial insurance. (NRS 616A.050, 616A.055, 616B.353) **Section 79**  
259 of this bill revises requirements relating to termination of the bond.

260 **Section 86** of this bill repeals existing law governing the cancellation of bonds  
261 of title agents and title insurers. These existing provisions are subsumed within the  
262 new provisions in **section 3** governing bonds. **Section 86** also repeals existing law  
263 specifically governing investments by prepaid limited health service organizations.  
264 These existing provisions are replaced by revisions made in **sections 67 and 68**,  
265 which address such investments.

266 **Section 87** of this bill provides various effective dates and expiration dates for  
267 different sections of this bill.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1       **Section 1.** Chapter 679B of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 and 3 of this act.

3       **Sec. 2. 1.** *The Commissioner may terminate without a*  
4 *hearing a license if the person fails to maintain a qualification for*  
5 *the license.*

6       **2.** *Pursuant to NRS 679B.310:*

7       **(a)** *The person whose license is terminated may request a*  
8 *hearing for a determination by the Commissioner as to whether*  
9 *the termination was reasonable; and*

10       **(b)** *Pending the requested hearing and the determination, the*  
11 *Commissioner may suspend or postpone the effective date of the*  
12 *termination of the license.*

13       **3.** *As used in this section, "license" means any license,*  
14 *permit, certificate of registration, certificate of authority or other*  
15 *authorization to engage in an activity relating to insurance which*  
16 *is issued to a person by the Commissioner or the Division.*

17       **Sec. 3. 1.** *This section applies to every person regulated by*  
18 *the Commissioner or the Division for which a specific statute*  
19 *other than this section requires a bond for the person to qualify*  
20 *for a license or authorizes the person to file a bond as security to*  
21 *qualify for a license. The provisions of this section govern the*  
22 *bond and any claim against the bond to the extent the provisions*  
23 *of this section do not conflict with the provisions of the specific*  
24 *statutes which govern the license.*

25       **2.** *A person may provide a substitute form of security in lieu*  
26 *of the bond if the specific statutes which govern the license*  
27 *authorize the substitute form of security.*

28       **3.** *Except as otherwise provided in this section, the person*  
29 *must deposit with the Commissioner and keep in full force and*  
30 *effect a surety bond payable to the State of Nevada, in an amount*  
31 *set forth by the Commissioner in regulation. The bond must be*  
32 *executed by a corporate surety which is authorized to do business*  
33 *in this State and is satisfactory to the Commissioner. The bond*  
34 *must name as principal the person, and must be in substantially*  
35 *the following form:*

36  
37       *Know All Persons by These Presents, that*  
38       *....., as principal, and ....., as surety,*  
39       *are held and firmly bound unto the State of Nevada for the*  
40       *use and benefit of any person who suffers damages because*  
41       *of a violation of any of the provisions of Nevada law*  
42       *relating to insurance, in the sum of ....., lawful money*



of the United States, to be paid to the State of Nevada for such use and benefit, for which payment well and truly to be made, and that we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of that obligation is such that: Whereas, the Commissioner of Insurance of the Department of Business and Industry of the State of Nevada has issued the principal a ..... (license, permit, certificate of registration, certificate of authority or other authorization) pursuant to Nevada law relating to insurance, and the principal is required to furnish a bond, which is conditioned as set forth in this bond:

Now, therefore, if the principal, the principal's agents and employees, strictly, honestly and faithfully comply with the provisions of Nevada law relating to insurance, and pay all damages suffered by any person because of a violation of any of the provisions of Nevada law relating to insurance, or by reason of any fraud, dishonesty, misrepresentation or concealment of material facts growing out of any transaction governed by the provisions of Nevada law relating to insurance, then this obligation is void; otherwise it remains in full force.

This bond becomes effective on the .....(day) of .....(month) of .....(year), and remains in force until the surety is released from liability by the Commissioner of Insurance or until this bond is cancelled by the surety. The surety may cancel this bond and be relieved of further liability hereunder by giving written notice to the principal and to the Commissioner of Insurance of the Department of Business and Industry of the State of Nevada in accordance with Nevada law.

In Witness Whereof, the seal and signature of the principal hereto is affixed, and the corporate seal and the name of the surety hereto is affixed and attested by its authorized officers at ....., Nevada, this .....(day) of .....(month) of .....(year).

.....(Seal)  
Principal  
.....(Seal)  
Surety





By.....  
Attorney-in-fact  
.....  
Nevada licensed insurance agent

4. The bond must remain in force until released by the Commissioner or cancelled by the surety. Except as otherwise provided by law, the surety may cancel the bond upon 60 days' advance written notice to the Commissioner and to the person to whom the bond relates. Cancellation of the bond does not limit liability which was incurred under the bond before the cancellation.

5. If the bond is cancelled, the license of the person to whom the bond relates is revoked by operation of law as of the date the bond is cancelled unless the person:

(a) Has on file another bond which meets all applicable requirements;

(b) Before the date the bond is cancelled, provides a replacement bond which meets all applicable requirements; or

(c) Before the date the bond is cancelled, provides a substitute form of security which is authorized by and meets the requirements of the specific statutes which govern the license.

6. As used in this section, "license" means any license, permit, certificate of registration, certificate of authority or other authorization to engage in an activity relating to insurance which is issued to a person by the Commissioner or the Division.

**Sec. 4.** NRS 680A.260 is hereby amended to read as follows:

680A.260 1. Service of process against an insurer for whom the Commissioner is attorney must be made by delivering to and leaving with the ~~[Commissioner, the Commissioner's deputy, or a person in apparent charge of the office of the Commissioner during the Commissioner's absence, two copies]~~ **Division, one copy** of the process, together with the fee therefor as specified in NRS 680B.010, taxable as costs in the action.

2. Upon such service, the ~~[Commissioner]~~ **Division** shall forthwith ~~[mail by certified mail one of the copies of]~~ **forward** such process, with the date and time of service of the same on the Commissioner noted thereon, to the person currently designated by the insurer to receive the copy as provided in NRS 680A.250. Service of process is complete when the copy has been so ~~[mailed.]~~ **forwarded.**

3. Process served in the manner provided by this section for all purposes constitutes valid and binding personal service upon the insurer within this state. If summons is served under this section, the time within which the insurer is required to appear must be extended



1 an additional 10 days beyond that otherwise allowed by Nevada  
2 Rules of Civil Procedure.

3 4. The Commissioner shall keep a record of the day of service  
4 upon him or her of all legal process.

5 5. For the purposes of this section, "process" includes only a  
6 summons or the initial documents served in an action. The  
7 Commissioner is not required to serve any documents after the  
8 initial service of process.

9 **Sec. 5.** NRS 680B.010 is hereby amended to read as follows:

10 680B.010 The Commissioner shall collect in advance and  
11 receipt for, and persons so served must pay to the Commissioner,  
12 fees and miscellaneous charges as follows:

13	1. Insurer's certificate of authority:	
14	(a) Filing initial application .....	\$2,450
15	(b) Issuance of certificate:	
16	(1) For one kind of insurance as defined in	
17	NRS 681A.010 to 681A.080, inclusive .....	283
18	(2) For two or more kinds of insurance as so	
19	defined .....	578
20	(3) For a reinsurer .....	2,450
21	(c) Each annual continuation of a certificate .....	2,450
22	(d) Reinstatement pursuant to NRS 680A.180, 50	
23	percent of the annual continuation fee otherwise	
24	required.	
25	(e) Registration of additional title pursuant to	
26	NRS 680A.240.....	50
27	(f) Annual renewal of the registration of	
28	additional title pursuant to NRS 680A.240.....	25
29	2. Charter documents, other than those filed	
30	with an application for a certificate of authority.	
31	Filing amendments to articles of incorporation,	
32	charter, bylaws, power of attorney and other	
33	constituent documents of the insurer, each document .....	\$10
34	3. Annual statement or report. For filing annual	
35	statement or report .....	\$25
36	4. Service of process:	
37	(a) Filing of power of attorney.....	\$5
38	(b) Acceptance of service of process .....	30
39	5. Licenses, appointments and renewals for	
40	producers of insurance:	
41	(a) Application and license .....	\$125
42	(b) Appointment fee for each insurer.....	15
43	(c) Triennial renewal of each license.....	125
44	(d) Temporary license.....	10
45	(e) Modification of an existing license .....	50



1	6. Surplus lines brokers:	
2	(a) Application and license .....	\$125
3	(b) Triennial renewal of each license.....	125
4	7. Managing general agents' licenses,	
5	appointments and renewals:	
6	(a) Application and license .....	\$125
7	(b) Appointment fee for each insurer.....	15
8	(c) Triennial renewal of each license.....	125
9	8. Adjusters', as defined in NRS 684A.030,	
10	licenses and renewals:	
11	(a) Application and license .....	\$125
12	(b) Triennial renewal of each license.....	125
13	9. Licenses and renewals for appraisers of	
14	physical damage to motor vehicles:	
15	(a) Application and license .....	\$125
16	(b) Triennial renewal of each license.....	125
17	10. Additional title and property insurers	
18	pursuant to NRS 680A.240:	
19	(a) Original registration .....	\$50
20	(b) Annual renewal .....	25
21	11. Insurance vending machines:	
22	(a) Application and license, for each machine.....	\$125
23	(b) Triennial renewal of each license.....	125
24	12. Permit for solicitation for securities:	
25	(a) Application for permit.....	\$100
26	(b) Extension of permit.....	50
27	13. Securities salespersons for domestic	
28	insurers:	
29	(a) Application and license .....	\$25
30	(b) Annual renewal of license.....	15
31	14. Rating organizations:	
32	(a) Application and license .....	\$500
33	(b) Annual renewal .....	500
34	15. Certificates and renewals for administrators	
35	licensed pursuant to chapter 683A of NRS:	
36	(a) Application and certificate of registration.....	\$125
37	(b) Triennial renewal .....	125
38	16. For copies of the insurance laws of Nevada,	
39	a fee which is not less than the cost of producing the	
40	copies.	
41	17. Certified copies of certificates of authority	
42	and licenses issued pursuant to the Code.....	\$10
43	18. For copies and amendments of documents	
44	on file in the Division, a reasonable charge fixed by	
45	the Commissioner, including charges for duplicating	



1 or amending the forms and for certifying the copies  
2 and affixing the official seal.

3 19. Letter of clearance for a producer of  
4 insurance or other licensee if requested by someone  
5 other than the licensee..... \$10

6 20. Certificate of status as a producer of  
7 insurance or other licensee if requested by someone  
8 other than the licensee..... \$10

9 21. Licenses, appointments and renewals for bail  
10 agents:  
11 (a) Application and license ..... \$125  
12 (b) Appointment for each surety insurer..... 15  
13 (c) Triennial renewal of each license..... 125

14 22. Licenses and renewals for bail enforcement  
15 agents:  
16 (a) Application and license ..... \$125  
17 (b) Triennial renewal of each license..... 125

18 23. Licenses, appointments and renewals for  
19 general agents for bail:  
20 (a) Application and license ..... \$125  
21 (b) Initial appointment by each insurer..... 15  
22 (c) Triennial renewal of each license..... 125

23 24. Licenses and renewals for bail solicitors:  
24 (a) Application and license ..... \$125  
25 (b) Triennial renewal of each license..... 125

26 25. Licenses and renewals for title agents and  
27 escrow officers:  
28 (a) Application and license ..... \$125  
29 (b) Triennial renewal of each license..... 125  
30 (c) Appointment fee for each title insurer..... 15

31 26. Certificate of authority and renewal for a  
32 seller of prepaid funeral contracts..... \$125

33 27. Licenses and renewals for agents for prepaid  
34 funeral contracts:  
35 (a) Application and license ..... \$125  
36 (b) Triennial renewal of each license..... 125

37 28. Reinsurance intermediary broker or  
38 manager:  
39 (a) Application and license ..... \$125  
40 (b) Triennial renewal of each license..... 125

41 29. Agents for and sellers of prepaid burial  
42 contracts:  
43 (a) Application and certificate or license..... \$125  
44 (b) Triennial renewal ..... 125

45 30. Risk retention groups:



1	(a) Initial registration .....	\$250
2	(b) Each annual continuation of a certificate of	
3	registration .....	\$250
4	31. Required filing of forms:	
5	(a) For rates and policies.....	\$25
6	(b) For riders and endorsements .....	10
7	32. Viatical settlements:	
8	(a) Provider of viatical settlements:	
9	(1) Application and license.....	\$1,000
10	(2) Annual renewal.....	1,000
11	(b) Broker of viatical settlements:	
12	(1) Application and license.....	500
13	(2) Annual renewal.....	500
14	(c) Registration of producer of insurance acting	
15	as a viatical settlement broker.....	250
16	33. Insurance consultants:	
17	(a) Application and license .....	\$125
18	(b) Triennial renewal .....	125
19	34. Licensee's association with or appointment	
20	or sponsorship by an organization:	
21	(a) Initial appointment, association or	
22	sponsorship, for each organization .....	\$50
23	(b) Renewal of each association or sponsorship.....	50
24	(c) Annual renewal of appointment .....	15
25	35. Purchasing groups:	
26	(a) Initial registration and review of an	
27	application.....	\$100
28	(b) Each annual continuation of registration.....	100
29	36. Exchange enrollment facilitators:	
30	(a) Application and certificate .....	\$125
31	(b) Triennial renewal of each certificate.....	125
32	(c) Temporary certificate .....	10
33	37. <i>Agent who performs utilization reviews:</i>	
34	(a) <i>Application and registration .....</i>	<i>\$250</i>
35	(b) <i>Renewal of registration .....</i>	<i>250</i>
36	38. <i>Motor club:</i>	
37	(a) <i>Filing of application.....</i>	<i>\$500</i>
38	(b) <i>Issuance of certificate .....</i>	<i>283</i>
39	39. <i>Motor club agent:</i>	
40	(a) <i>Application and license .....</i>	<i>\$78</i>
41	(b) <i>Appointment by each motor club.....</i>	<i>5</i>
42	(c) <i>Triennial renewal of each license.....</i>	<i>78</i>
43	40. <i>Title plant company:</i>	
44	(a) <i>Application and license .....</i>	<i>\$10</i>
45	(b) <i>Renewal of license.....</i>	<i>10</i>



**41. Service contract provider:**

**(a) Application and registration ..... \$2,000**

**(b) Renewal of registration ..... 2,000**

**42.** In addition to any other fee or charge, all applicable fees required of any person, including, without limitation, persons listed in this section, pursuant to NRS 680C.110.

**Sec. 6.** NRS 680C.110 is hereby amended to read as follows:

680C.110 1. In addition to any other fee or charge, the Commissioner shall collect in advance and receipt for, and persons so served must pay to the Commissioner, the fees required by this section.

2. A fee required by this section must be:

(a) If an initial fee, paid at the time of an initial application or issuance of a license, as applicable;

(b) Except as otherwise provided in NRS 680A.180, 683A.378, 686A.380, ~~690C.160,~~ 694C.230, 695A.080, 695B.135, 695D.150, 695H.090 and 696A.150, if an annual fee, paid on or before the date established by regulation of the Commissioner;

(c) If a triennial fee, paid on or before the time of continuation, renewal or other similar action in regard to a certificate, license, permit or other type of authorization, as applicable; and

(d) Deposited in the Fund for Insurance Administration and Enforcement created by NRS 680C.100.

3. The fees required pursuant to this section are not refundable.

4. The following fees must be paid by the following persons to the Commissioner:

(a) Associations of self-insured private employers, as defined in NRS 616A.050:

(1) Initial fee ..... \$1,300

(2) Annual fee ..... \$1,300

(b) Associations of self-insured public employers, as defined in NRS 616A.055:

(1) Initial fee ..... \$1,300

(2) Annual fee ..... \$1,300

(c) Independent review organizations, as provided for in NRS 616A.469 or 683A.3715, or both:

(1) Initial fee ..... \$60

(2) Annual fee ..... \$60

(d) Producers of insurance, as defined in NRS 679A.117:

(1) Initial fee ..... \$60

(2) Triennial fee ..... \$60

(e) Reinsurers, as provided for in NRS 681A.1551 or 681A.160, as applicable:

(1) Initial fee ..... \$1,300



1	(2) Annual fee.....	\$1,300
2	(f) Intermediaries, as defined in NRS 681A.330:	
3	(1) Initial fee.....	\$60
4	(2) Triennial fee.....	\$60
5	(g) Reinsurers, as defined in NRS 681A.370:	
6	(1) Initial fee.....	\$1,300
7	(2) Annual fee.....	\$1,300
8	(h) Administrators, as defined in NRS 683A.025:	
9	(1) Initial fee.....	\$60
10	(2) Triennial fee.....	\$60
11	(i) Managing general agents, as defined in	
12	NRS 683A.060:	
13	(1) Initial fee.....	\$60
14	(2) Triennial fee.....	\$60
15	(j) Agents who perform utilization reviews, as	
16	defined in NRS 683A.376:	
17	(1) Initial fee.....	\$60
18	(2) Annual fee.....	\$60
19	(k) Insurance consultants, as defined in	
20	NRS 683C.010:	
21	(1) Initial fee.....	\$60
22	(2) Triennial fee.....	\$60
23	(l) Independent adjusters, as defined in	
24	NRS 684A.030:	
25	(1) Initial fee.....	\$60
26	(2) Triennial fee.....	\$60
27	(m) Public adjusters, as defined in	
28	NRS 684A.030:	
29	(1) Initial fee.....	\$60
30	(2) Triennial fee.....	\$60
31	(n) Motor vehicle physical damage appraisers, as	
32	defined in NRS 684B.010:	
33	(1) Initial fee.....	\$60
34	(2) Triennial fee.....	\$60
35	(o) Brokers, as defined in NRS 685A.031:	
36	(1) Initial fee.....	\$60
37	(2) Triennial fee.....	\$60
38	(p) Companies, as defined in NRS 686A.330:	
39	(1) Initial fee.....	\$1,300
40	(2) Annual fee.....	\$1,300
41	(q) Rate service organizations, as defined in	
42	NRS 686B.020:	
43	(1) Initial fee.....	\$1,300
44	(2) Annual fee.....	\$1,300



1	(r) Brokers of viatical settlements, as defined in	
2	NRS 688C.030:	
3	(1) Initial fee.....	\$60
4	(2) Annual fee.....	\$60
5	(s) Providers of viatical settlements, as defined in	
6	NRS 688C.080:	
7	(1) Initial fee.....	\$60
8	(2) Annual fee.....	\$60
9	(t) Agents for prepaid burial contracts subject to	
10	the provisions of chapter 689 of NRS:	
11	(1) Initial fee.....	\$60
12	(2) Triennial fee.....	\$60
13	(u) Agents for prepaid funeral contracts subject to	
14	the provisions of chapter 689 of NRS:	
15	(1) Initial fee.....	\$60
16	(2) Triennial fee.....	\$60
17	(v) Sellers of prepaid burial contracts subject to	
18	the provisions of chapter 689 of NRS:	
19	(1) Initial fee.....	\$60
20	(2) Triennial fee.....	\$60
21	(w) Sellers of prepaid funeral contracts subject to	
22	the provisions of chapter 689 of NRS:	
23	(1) Initial fee.....	\$60
24	(2) Triennial fee.....	\$60
25	(x) Providers, as defined in NRS 690C.070:	
26	(1) Initial fee.....	\$1,300
27	(2) <del>Annual</del> <i>Biennial</i> fee.....	\$1,300
28	(y) Escrow officers, as defined in NRS 692A.028:	
29	(1) Initial fee.....	\$60
30	(2) Triennial fee.....	\$60
31	(z) Title agents, as defined in NRS 692A.060:	
32	(1) Initial fee.....	\$60
33	(2) Triennial fee.....	\$60
34	(aa) Captive insurers, as defined in	
35	NRS 694C.060:	
36	(1) Initial fee.....	\$250
37	(2) Annual fee.....	\$250
38	(bb) Purchasing groups, as defined in	
39	NRS 695E.100:	
40	(1) Initial fee.....	\$250
41	(2) Annual fee.....	\$250
42	(cc) Risk retention groups, as defined in	
43	NRS 695E.110:	
44	(1) Initial fee.....	\$250
45	(2) Annual fee.....	\$250





- 1 (dd) Medical discount plans, as defined in
- 2 NRS 695H.050:
  - 3 (1) Initial fee..... \$1,300
  - 4 (2) Annual fee..... \$1,300
- 5 (ee) Club agents, as defined in NRS 696A.040:
  - 6 (1) Initial fee..... \$60
  - 7 (2) Triennial fee..... \$60
- 8 (ff) Motor clubs, as defined in NRS 696A.050:
  - 9 (1) Initial fee..... \$1,300
  - 10 (2) Annual fee..... \$1,300
- 11 (gg) Bail agents, as defined in NRS 697.040:
  - 12 (1) Initial fee..... \$60
  - 13 (2) Triennial fee..... \$60
- 14 (hh) Bail enforcement agents, as defined in
- 15 NRS 697.055:
  - 16 (1) Initial fee..... \$60
  - 17 (2) Triennial fee..... \$60
- 18 (ii) Bail solicitors, as defined in NRS 697.060:
  - 19 (1) Initial fee..... \$60
  - 20 (2) Triennial fee..... \$60
- 21 (jj) General agents, as defined in NRS 697.070:
  - 22 (1) Initial fee..... \$60
  - 23 (2) Triennial fee..... \$60
- 24 (kk) Exchange enrollment facilitators, as defined
- 25 in NRS 695J.050:
  - 26 (1) Initial fee..... \$60
  - 27 (2) Triennial fee..... \$60
- 28 5. An initial fee of \$1,000 must be paid to the Commissioner
- 29 by each:
  - 30 (a) Insurer who is authorized to transact casualty insurance, as
  - 31 defined in NRS 681A.020;
  - 32 (b) Insurer who is authorized to transact health insurance, as
  - 33 defined in NRS 681A.030;
  - 34 (c) Insurer who is authorized to transact life insurance, as
  - 35 defined in NRS 681A.040;
  - 36 (d) Insurer who is authorized to transact property insurance, as
  - 37 defined in NRS 681A.060;
  - 38 (e) Title insurer, as defined in NRS 692A.070;
  - 39 (f) Fraternal benefit society, as defined in NRS 695A.010;
  - 40 (g) Corporation subject to the provisions of chapter 695B of
  - 41 NRS;
  - 42 (h) Health maintenance organization, as defined in
  - 43 NRS 695C.030;
  - 44 (i) Organization for dental care, as defined in NRS 695D.060;
  - 45 and



1 (j) Prepaid limited health service organization, as defined in  
2 NRS 695F.050.

3 6. An insurer who is required to pay an initial fee of \$1,000  
4 pursuant to subsection 5 shall also pay to the Commissioner an  
5 annual fee in an amount determined by the Commissioner. When  
6 determining the amount of the annual fee, the Commissioner must  
7 consider:

8 (a) The direct written premiums reported to the Commissioner  
9 by the insurer during the previous year;

10 (b) The number of insurers who are required to pay an annual  
11 fee pursuant to this subsection;

12 (c) The direct written premiums reported during the previous  
13 year by all insurers paying such fees; and

14 (d) The budget of the Division.

15 7. An insurer who is not required to pay an initial or annual fee  
16 pursuant to subsection 4 or subsections 5 and 6 shall pay to the  
17 Commissioner an initial fee of \$1,300 and an annual fee of \$1,300.

18 **Sec. 7.** NRS 681A.420 is hereby amended to read as follows:

19 681A.420 1. A person shall not act as a broker for  
20 reinsurance for a domestic insurer or reinsurer unless the person is:

21 (a) A licensed producer in this state; or

22 (b) Licensed as a nonresident intermediary for reinsurance in  
23 this state.

24 2. A person shall not act as a broker for reinsurance for a  
25 foreign or alien insurer or reinsurer if the person maintains an office,  
26 directly or as a member or employee of a firm or association or as  
27 an officer, director or employee of a corporation in this state, unless  
28 the person is:

29 (a) A licensed producer in this state; or

30 (b) Licensed as a nonresident intermediary for reinsurance in  
31 this state.

32 3. A person shall not act as a manager for reinsurance for a  
33 domestic insurer or reinsurer unless the person is:

34 (a) A licensed producer in this state; or

35 (b) Licensed as a nonresident manager for reinsurance in this  
36 state.

37 4. A person shall not act as a manager for reinsurance for any  
38 foreign or alien insurer or reinsurer if the person maintains an office,  
39 directly or as a member or employee of a firm or association or as  
40 an officer, director or employee of a corporation in this state, unless  
41 the person is:

42 (a) A licensed producer in this state; or

43 (b) Licensed as a nonresident manager for reinsurance in this  
44 state.

45 5. A manager for reinsurance shall:



1 (a) File a bond ~~[from an insurer]~~ *which complies with section 3*  
2 *of this act and is* in an amount that is acceptable to the  
3 Commissioner for the protection of the reinsurer; and

4 (b) Maintain a policy covering errors and omissions in an  
5 amount that is acceptable to the Commissioner.

6 **Sec. 8.** NRS 682A.069 is hereby amended to read as follows:

7 682A.069 "Equity interest" means any of the following that are  
8 not rated credit instruments:

9 1. Common stock;

10 2. Preferred stock;

11 3. A trust certificate;

12 4. An equity investment in an investment company, other than  
13 a money market mutual fund or a class one bond mutual fund;

14 5. An investment in a common trust fund of a bank regulated  
15 by a federal or state agency;

16 6. An ownership interest in minerals, oil or gas, the rights to  
17 which have been separated from the underlying fee interest in the  
18 real estate where the minerals, oil or gas are located;

19 7. Instruments which are mandatorily, or at the option of the  
20 issuer, convertible to equity;

21 8. Limited partnership interests and those general partnership  
22 interests authorized pursuant to paragraph (d) of subsection 1 of  
23 NRS 682A.380;

24 9. Member interests in a limited-liability company;

25 10. Warrants or other rights to acquire equity interests that are  
26 created by the person that owns or would issue the equity to be  
27 acquired; and

28 11. Instruments that would be rated credit instruments ~~[ ]~~ *but*  
29 *for the provisions of subsection 2 of NRS 682A.179.*

30 **Sec. 9.** NRS 683A.08526 is hereby amended to read as  
31 follows:

32 683A.08526 1. A certificate of registration as an  
33 administrator is valid for 3 years after the date the Commissioner  
34 issues the certificate to the administrator ~~[ ]~~ *or the administrator*  
35 *renews the certificate, as applicable. A certificate expires on the*  
36 *renewal date for the certificate if the administrator does not renew*  
37 *the certificate pursuant to subsection 2 on or before the renewal*  
38 *date.*

39 2. An administrator may renew a certificate of registration if  
40 the administrator submits to the Commissioner:

41 (a) An application on a form prescribed by the Commissioner;  
42 and

43 (b) The fee for the renewal of the certificate of registration  
44 prescribed in NRS 680B.010 and, in addition to any other fee or  
45 charge, all applicable fees required pursuant to NRS 680C.110.



1       **3. As used in this section, "renewal date" means:**

2       **(a) For the first renewal of the certificate of registration, the**  
3 **last day of the month which is 3 years after the month in which the**  
4 **Commissioner originally issued the certificate.**

5       **(b) For each renewal after the first renewal of the certificate of**  
6 **registration, the last day of the month which is 3 years after the**  
7 **month in which the certificate was last due to be renewed.**

8       **Sec. 10.** NRS 683A.0857 is hereby amended to read as  
9 follows:

10       683A.0857 1. Each administrator shall file with the  
11 Commissioner a bond ~~{with an authorized surety in favor of the~~  
12 ~~State of Nevada.}~~ **which complies with section 3 of this act,**  
13 continuous in form and in an amount determined by the  
14 Commissioner of not less than \$100,000.

15       2. The Commissioner shall establish schedules for the amount  
16 of the bond required, based on the amount of money received and  
17 distributed by an administrator.

18       3. The bond must inure to the benefit of any person damaged  
19 by any fraudulent act or conduct of the administrator and must be  
20 conditioned upon faithful accounting and application of all money  
21 coming into the administrator's possession in connection with his or  
22 her activities as an administrator.

23       4. ~~{The bond remains in force until released by the~~  
24 ~~Commissioner or cancelled by the surety. Without prejudice to any~~  
25 ~~liability previously incurred, the surety may cancel the bond upon~~  
26 ~~90 days' advance notice to the administrator and the Commissioner.~~  
27 ~~An administrator's certificate is automatically suspended if the~~  
28 ~~administrator does not file with the Commissioner a replacement~~  
29 ~~bond before the date of cancellation of the previous bond.}~~ A  
30 replacement bond must meet all requirements ~~{of this section}~~ for  
31 the initial bond.

32       **Sec. 11.** NRS 683A.140 is hereby amended to read as follows:

33       683A.140 1. A firm or corporation may be licensed as a  
34 managing general agent.

35       2. A resident firm or corporation which has more than one  
36 office in this state is a single licensee for the purposes of being  
37 appointed by insurers and the authority of natural persons to act for  
38 the firm or corporation. Such a firm or corporation must obtain a  
39 copy of its license for each location, but only must obtain one  
40 original license as a managing general agent.

41       3. For licensing as a managing general agent, each general  
42 partner and each natural person to act for the firm, or each natural  
43 person to act for the corporation, must be named in the license and  
44 must qualify as an individual licensee. A natural person who is  
45 authorized to act for a firm or corporation and who also wishes to be



1 licensed in an individual capacity must obtain a separate license in  
2 his or her own name. The Commissioner shall charge appropriate  
3 fees for each person who is licensed to act for a firm or corporation .  
4 ~~[and who is named on the license.]~~

5 4. The licensee shall promptly notify the Commissioner of all  
6 changes among its members, directors and officers, and among other  
7 persons named in the license. The licensee shall provide to the  
8 Commissioner upon request information concerning officers or  
9 owners of the firm or corporation who are not named in the license.

10 **5. Any business entity to whom a license is issued or renewed**  
11 **must:**

12 (a) *Be eligible to declare this state as its home state;*

13 (b) *Designate a natural person who is licensed as a managing*  
14 *general agent to be responsible for the compliance of the business*  
15 *entity with the insurance laws, rules and regulations of this State;*  
16 *and*

17 (c) *Never have committed any act that is a ground for refusal*  
18 *to issue, suspension of or revocation of a license pursuant to*  
19 *NRS 683A.451.*

20 **Sec. 12.** NRS 683A.160 is hereby amended to read as follows:

21 683A.160 1. Each applicant for a license as a managing  
22 general agent must submit with his or her application:

23 (a) The appointment of the applicant as a managing general  
24 agent by each insurer or underwriter department to be so  
25 represented; and

26 (b) The application and license fee specified in NRS 680B.010  
27 and, in addition to any other fee or charge, all applicable fees  
28 required pursuant to NRS 680C.110.

29 2. Each applicant must, as part of his or her application and at  
30 the applicant's own expense:

31 (a) Arrange to have a complete set of his or her fingerprints  
32 taken by a law enforcement agency or other authorized entity  
33 acceptable to the Commissioner; and

34 (b) Submit to the Commissioner:

35 (1) A completed fingerprint card and written permission  
36 authorizing the Commissioner to submit the applicant's fingerprints  
37 to the Central Repository for Nevada Records of Criminal History  
38 for submission to the Federal Bureau of Investigation for a report on  
39 the applicant's background and to such other law enforcement  
40 agencies as the Commissioner deems necessary; or

41 (2) Written verification, on a form prescribed by the  
42 Commissioner, stating that the fingerprints of the applicant were  
43 taken and directly forwarded electronically or by another means to  
44 the Central Repository and that the applicant has given written  
45 permission to the law enforcement agency or other authorized entity



1 taking the fingerprints to submit the fingerprints to the Central  
2 Repository for submission to the Federal Bureau of Investigation for  
3 a report on the applicant's background and to such other law  
4 enforcement agencies as the Commissioner deems necessary.

5 3. The Commissioner may:

6 (a) Unless the applicant's fingerprints are directly forwarded  
7 pursuant to subparagraph (2) of paragraph (b) of subsection 2,  
8 submit those fingerprints to the Central Repository for submission  
9 to the Federal Bureau of Investigation and to such other law  
10 enforcement agencies as the Commissioner deems necessary;

11 (b) Request from each such agency any information regarding  
12 the applicant's background as the Commissioner deems necessary;  
13 and

14 (c) Adopt regulations concerning the procedures for obtaining  
15 this information.

16 *4. A license as a managing general agent remains in effect*  
17 *unless revoked, suspended or otherwise terminated if, on or before*  
18 *the renewal date for the license:*

19 (a) *A request for renewal is submitted;*

20 (b) *All applicable fees for renewal are paid for the license and,*  
21 *if applicable, for each person who is authorized to act for the firm*  
22 *or corporation pursuant to subsection 3 of NRS 683A.140; and*

23 (c) *Any requirement for education and any other requirement*  
24 *to renew the license is satisfied.*

25 *5. A managing general agent may submit a request for*  
26 *renewal of his or her license within 30 days after the renewal date*  
27 *if the managing general agent otherwise complies with the*  
28 *provisions of subsection 4 and pays, in addition to any fee paid*  
29 *pursuant to subsection 4, a penalty of 50 percent of all applicable*  
30 *fees for renewal, except for any fee required pursuant to*  
31 *NRS 680C.110.*

32 *6. Except as otherwise provided in subsection 8, a license as a*  
33 *managing general agent expires if the Commissioner does not*  
34 *receive from the managing general agent a request for renewal of*  
35 *the license pursuant to subsection 4 or 5, as applicable, on or*  
36 *before the date which is 30 days after the renewal date.*

37 *7. A fee paid pursuant to subsection 4 or 5 is nonrefundable.*

38 *8. A managing general agent who is unable to renew his or*  
39 *her license because of military service, extended medical disability*  
40 *or other extenuating circumstance may request a waiver of the*  
41 *time limit and of any fine or sanction otherwise required or*  
42 *imposed because of the failure to renew.*

43 *9. A license must state the licensee's name, address, personal*  
44 *identification number, the date of issuance, the lines of authority*  
45 *and the date of expiration and must contain any other information*



1 *the Commissioner considers necessary. The license must be made*  
2 *available for public inspection upon request.*

3 *10. A licensee shall inform the Commissioner of each change*  
4 *of business, residence or electronic mail address, in writing or by*  
5 *other means acceptable to the Commissioner, within 30 days after*  
6 *the change. If a licensee changes his or her business, residence or*  
7 *electronic mail address without giving written notice and the*  
8 *Commissioner is unable to locate the licensee after diligent effort,*  
9 *the Commissioner may revoke the license without a hearing. The*  
10 *mailing of a letter by certified mail, return receipt requested,*  
11 *addressed to the licensee at his or her last mailing address*  
12 *appearing on the records of the Division, and the return of the*  
13 *letter undelivered, constitutes a diligent effort by the*  
14 *Commissioner.*

15 *11. As used in this section, "renewal date" means:*

16 *(a) For the first renewal of the license, the last day of the*  
17 *month which is 3 years after the month in which the*  
18 *Commissioner originally issued the license.*

19 *(b) For each renewal after the first renewal of the license, the*  
20 *last day of the month which is 3 years after the month in which the*  
21 *license was last due to be renewed.*

22 **Sec. 13.** NRS 683A.261 is hereby amended to read as follows:

23 683A.261 1. Unless the Commissioner refuses to issue the  
24 license under NRS 683A.451, the Commissioner shall issue a  
25 license as a producer of insurance to a person who has satisfied the  
26 requirements of NRS 683A.241 and 683A.251. A producer of  
27 insurance may qualify for a license in one or more of the lines of  
28 authority permitted by statute or regulation, including:

29 (a) Life insurance on human lives, which includes benefits from  
30 endowments and annuities and may include additional benefits from  
31 death by accident and benefits for dismemberment by accident and  
32 for disability income.

33 (b) Accident and health insurance for sickness, bodily injury or  
34 accidental death, which may include benefits for disability income.

35 (c) Property insurance for direct or consequential loss or damage  
36 to property of every kind.

37 (d) Casualty insurance against legal liability, including liability  
38 for death, injury or disability and damage to real or personal  
39 property. For the purposes of a producer of insurance, this line of  
40 insurance includes surety indemnifying financial institutions or  
41 providing bonds for fidelity, performance of contracts or financial  
42 guaranty.

43 (e) Variable annuities and variable life insurance, including  
44 coverage reflecting the results of a separate investment account.



1 (f) Credit insurance, including credit life, credit accident and  
2 health, credit property, credit involuntary unemployment,  
3 guaranteed asset protection, and any other form of insurance offered  
4 in connection with an extension of credit that is limited to wholly or  
5 partially extinguishing the obligation which the Commissioner  
6 determines should be considered as limited-line credit insurance.

7 (g) Personal lines, consisting of automobile and motorcycle  
8 insurance and residential property insurance, including coverage for  
9 flood, of personal watercraft and of excess liability, written over one  
10 or more underlying policies of automobile or residential property  
11 insurance.

12 (h) Travel insurance, as defined in NRS 683A.197, as a limited  
13 line.

14 (i) Rental car as a limited line.

15 (j) Portable electronics as a limited line.

16 (k) Crop as a limited line.

17 (l) Personal property storage insurance, as defined in NRS  
18 683A.1828, as a limited line.

19 2. A license as a producer of insurance remains in effect unless  
20 revoked, suspended or otherwise terminated if ~~fa~~, *on or before the*  
21 *renewal date for the license:*

22 (a) ~~A request for a renewal is submitted [on or before the date~~  
23 ~~for the renewal specified on the license, all] ;~~

24 (b) *All applicable fees for renewal are paid for each license ; and*  
25 ~~any~~

26 (c) *Any requirement for education or any other requirement to*  
27 *renew the license is satisfied .* ~~[by the date specified on the license~~  
28 ~~for the renewal.]~~

29 3. A producer of insurance may submit a request for a renewal  
30 of his or her license within 30 days after the *renewal* date ~~[specified~~  
31 ~~on the license for the renewal]~~ if the producer of insurance  
32 otherwise complies with the provisions of ~~[this]~~ subsection 2 and  
33 pays, in addition to any fee paid pursuant to ~~[this]~~ subsection ~~[,] 2,~~  
34 a penalty of 50 percent of all applicable *fees for* renewal , ~~[fees,]~~  
35 except for any fee required pursuant to NRS 680C.110. ~~[A]~~

36 4. *Except as otherwise provided in subsection 7, a license as a*  
37 *producer of insurance expires if the Commissioner [receives] does*  
38 *not receive from the producer of insurance a request for [a]*  
39 *renewal of the license [more than] pursuant to subsection 2 or 3, as*  
40 *applicable, on or before the date which is 30 days after the renewal*  
41 *date .* ~~[specified on the license for the renewal.]~~

42 5. A fee paid pursuant to ~~[this]~~ subsection 2, 3 or 6 is  
43 nonrefundable.

44 ~~[3.]~~ 6. A natural person who allows his or her license as a  
45 producer of insurance to expire *pursuant to subsection 4* may ,





1 ~~[reapply for the same license]~~ within 12 months after the *renewal*  
2 date ~~[specified on the license for a renewal]~~, *reinstate the license*  
3 without passing a written examination ~~[but any]~~ *if the natural*  
4 *person:*

5 (a) *Completes all applicable* continuing education requirements  
6 ; ~~[must be met]~~ and

7 (b) *Pays* a penalty of twice all applicable *fees for* renewal ,  
8 ~~[fees.]~~ except for any fee required pursuant to NRS 680C.110 . ~~[is~~  
9 ~~required for any request for a renewal of the license that is received~~  
10 ~~after the date specified on the license for the renewal.~~

11 ~~—4.]~~ 7. A licensed producer of insurance who is unable to renew  
12 his or her license because of military service, extended medical  
13 disability or other extenuating circumstance may request a waiver of  
14 the time limit and of any fine or sanction otherwise required or  
15 imposed because of the failure to renew.

16 ~~[5.]~~ 8. A license must state the licensee's name, address,  
17 personal identification number, the date of issuance, the lines of  
18 authority and the date of expiration and must contain any other  
19 information the Commissioner considers necessary. The license  
20 must be made available for public inspection upon request.

21 ~~[6.]~~ 9. A licensee shall inform the Commissioner of each  
22 change of business, residence or electronic mail address, in writing  
23 or by other means acceptable to the Commissioner, within 30 days  
24 after the change. If a licensee changes his or her business, residence  
25 or electronic mail address without giving written notice and the  
26 Commissioner is unable to locate the licensee after diligent effort,  
27 the Commissioner may revoke the license without a hearing. The  
28 mailing of a letter by certified mail, return receipt requested,  
29 addressed to the licensee at his or her last mailing address appearing  
30 on the records of the Division, and the return of the letter  
31 undelivered, constitutes a diligent effort by the Commissioner.

32 *10. As used in this section, "renewal date" means:*

33 (a) *For the first renewal of the license, the last day of the*  
34 *month which is 3 years after the month in which the*  
35 *Commissioner originally issued the license.*

36 (b) *For each renewal after the first renewal of the license, the*  
37 *last day of the month which is 3 years after the month in which the*  
38 *license was last due to be renewed.*

39 **Sec. 14.** NRS 683A.378 is hereby amended to read as follows:  
40 683A.378 1. A person shall not conduct utilization review  
41 unless the person is:

42 (a) Registered with the Commissioner as an agent who performs  
43 utilization review and has a medical director who is a physician or,  
44 in the case of an agent who reviews dental services, a dentist,  
45 licensed in any state; or



1 (b) Employed by a registered agent who performs utilization  
2 review.

3 2. A person may apply for registration by filing with the  
4 Commissioner ~~[a \$250]~~ *the fee specified in NRS 680B.010* and, in  
5 addition to any other fee or charge, all applicable fees required  
6 pursuant to NRS 680C.110 and the following information on a form  
7 provided by the Commissioner:

8 (a) The applicant's name, address, telephone number, valid  
9 electronic mail address and normal business hours;

10 (b) The name and telephone number of a person the  
11 Commissioner may contact for information concerning the  
12 applicant;

13 (c) The name of the medical director of the applicant and the  
14 state in which he or she is licensed to practice medicine or dentistry;  
15 and

16 (d) A summary of the plan for utilization review, including  
17 procedures for appealing determinations made through utilization  
18 review.

19 3. An agent who performs utilization review shall file with the  
20 Commissioner any material changes in the information provided  
21 pursuant to subsection 1 within 30 days after the change occurs.

22 4. The Commissioner shall not evaluate the plan submitted  
23 pursuant to paragraph (d) of subsection 2. The Commissioner shall  
24 make the plan available upon request and shall charge a reasonable  
25 fee for providing a copy of the plan.

26 5. Registration pursuant to this section must be renewed on or  
27 before March 1 of each year by providing the information specified  
28 in subsection 2 and paying ~~[a]~~ *the* renewal fee ~~[of \$250]~~ *specified in*  
29 *NRS 680B.010* and, in addition to any other fee or charge, all  
30 applicable fees required pursuant to NRS 680C.110.

31 **Sec. 15.** NRS 683C.040 is hereby amended to read as follows:

32 683C.040 1. A license may be renewed for additional 3-year  
33 periods by submitting to the Commissioner an application for  
34 renewal and:

35 (a) If the application is made:

36 (1) On or before the ~~[expiration]~~ *renewal* date of the license,  
37 all applicable renewal fees; or

38 (2) Not more than 30 days after the ~~[expiration]~~ *renewal* date  
39 of the license, all applicable renewal fees plus ~~[any late fee~~  
40 ~~required;]~~ *a penalty of 50 percent of all applicable renewal fees*  
41 *except for any fee required pursuant to NRS 680C.110;*

42 (b) If the applicant is a natural person, the statement required  
43 pursuant to NRS 683C.043; and



1 (c) If the applicant is a resident, proof of the successful  
2 completion of appropriate courses of study required for renewal, as  
3 established by the Commissioner by regulation.

4 2. *Except as otherwise provided in subsection 5, a license as*  
5 *an insurance consultant expires if the Commissioner does not*  
6 *receive from the insurance consultant an application for renewal*  
7 *pursuant to subsection 1 on or before the date which is 30 days*  
8 *after the renewal date.*

9 3. The fees specified in this section are not refundable.

10 4. *A natural person who allows his or her license as an*  
11 *insurance consultant to expire pursuant to subsection 2 may,*  
12 *within 12 months after the renewal date, reinstate the license*  
13 *without passing a written examination if the natural person:*

14 (a) *Completes all applicable continuing education*  
15 *requirements; and*

16 (b) *Pays a penalty of twice all applicable fees for renewal,*  
17 *except for any fee required pursuant to NRS 680C.110.*

18 5. *An insurance consultant who is unable to renew his or her*  
19 *license because of military service, extended medical disability or*  
20 *other extenuating circumstance may request a waiver of the time*  
21 *limit and of any fine or sanction otherwise required or imposed*  
22 *because of the failure to renew.*

23 6. *A license must state the licensee's name, address, personal*  
24 *identification number, the date of issuance, the lines of authority*  
25 *and the date of expiration and must contain any other information*  
26 *the Commissioner considers necessary. The license must be made*  
27 *available for public inspection upon request.*

28 7. *A licensee shall inform the Commissioner of each change*  
29 *of business, residence or electronic mail address, in writing or by*  
30 *other means acceptable to the Commissioner, within 30 days after*  
31 *the change. If a licensee changes his or her business, residence or*  
32 *electronic mail address without giving written notice and the*  
33 *Commissioner is unable to locate the licensee after diligent effort,*  
34 *the Commissioner may revoke the license without a hearing. The*  
35 *mailing of a letter by certified mail, return receipt requested,*  
36 *addressed to the licensee at his or her last mailing address*  
37 *appearing on the records of the Division, and the return of the*  
38 *letter undelivered, constitutes a diligent effort by the*  
39 *Commissioner.*

40 8. *As used in this section, "renewal date" means:*

41 (a) *For the first renewal of the license, the last day of the*  
42 *month which is 3 years after the month in which the*  
43 *Commissioner originally issued the license.*



1 *(b) For each renewal after the first renewal of the license, the*  
2 *last day of the month which is 3 years after the month in which the*  
3 *license was last due to be renewed.*

4 **Sec. 16.** NRS 684A.130 is hereby amended to read as follows:

5 684A.130 1. Each license issued *or renewed* under this  
6 chapter continues in force for 3 years unless it is suspended, revoked  
7 or otherwise terminated. A license may be renewed upon payment  
8 of all applicable fees for renewal to the Commissioner, completion  
9 of any other requirement for renewal of the license specified in this  
10 chapter and submission of the statement required pursuant to NRS  
11 684A.143 if the licensee is a natural person. The statement, if  
12 required, must be submitted, all requirements must be completed  
13 and all applicable fees must be paid on or before the ~~last day of the~~  
14 ~~month in which~~ *renewal date for* the license. ~~[is renewable.]~~

15 2. Any license not so renewed expires ~~[at midnight]~~ on the ~~last~~  
16 ~~day specified for its~~ ~~[ ]~~ *date*. The Commissioner may  
17 accept a request for renewal received by the Commissioner within  
18 30 days after the expiration of the license if the request is  
19 accompanied by:

20 (a) A fee for renewal of 150 percent of all applicable fees  
21 otherwise required, except for any fee required pursuant to NRS  
22 680C.110 and subsection 2 of NRS 684A.050;

23 (b) If the person requesting renewal is a natural person, the  
24 statement required pursuant to NRS 684A.143;

25 (c) Proof of successful completion of any requirement for an  
26 examination unless exempt pursuant to NRS 684A.105; and

27 (d) If applicable, a request for a waiver of the time limit for  
28 renewal and of any fine or sanction otherwise required or imposed  
29 because of the failure of the licensee to renew his or her license  
30 because of military service, extended medical disability or other  
31 extenuating circumstance.

32 3. An adjuster who is unable to comply with the procedures  
33 and requirements to renew a license due to military service, long-  
34 term medical disability or some other extenuating circumstance may  
35 request waiver of same and a waiver of any requirement relating to  
36 an examination, fine or other sanction imposed for failure to comply  
37 with such procedures or requirements.

38 4. An adjuster shall inform the Commissioner by any means  
39 acceptable to the Commissioner of any change in the residence  
40 address or business address for the home state or in the legal name  
41 of the adjuster within 30 days of the change.

42 5. In order to assist in the performance of the duties of the  
43 Commissioner, the Commissioner may contract with  
44 nongovernmental entities, including, without limitation, the  
45 National Association of Insurance Commissioners or its affiliates or



1 subsidiaries, to perform any ministerial function, including, without  
2 limitation, the collection of fees and data, related to licensing that  
3 the Commissioner may deem appropriate.

4 6. This section does not apply to temporary licenses issued  
5 under NRS 684A.150.

6 7. *As used in this section, "renewal date" means:*

7 (a) *For the first renewal of the license, the last day of the*  
8 *month which is 3 years after the month in which the*  
9 *Commissioner originally issued the license.*

10 (b) *For each renewal after the first renewal of the license, the*  
11 *last day of the month which is 3 years after the month in which the*  
12 *license was last due to be renewed.*

13 **Sec. 17.** NRS 684B.030 is hereby amended to read as follows:

14 684B.030 1. Before the issuance of a motor vehicle physical  
15 damage appraiser's license the applicant shall file with the  
16 Commissioner, and thereafter maintain in force while so licensed, a  
17 surety bond ~~[in the]~~ *which complies with section 3 of this act and is*  
18 *in an amount [of \$2,500 in favor of the people of the State of*  
19 *Nevada, executed by an authorized surety insurer approved]*  
20 *determined* by the Commissioner. ~~[, and conditioned for the faithful~~  
21 ~~performance of required duties.]~~

22 2. ~~[The bond shall remain in force until the surety is released~~  
23 ~~from liability by the Commissioner, or until cancelled by the surety.~~  
24 ~~Without prejudice to any prior liability accrued, the surety may~~  
25 ~~cancel the bond upon 30 days' advance written notice filed with the~~  
26 ~~Commissioner.~~

27 ~~—3. A motor vehicle physical damage appraiser's license is~~  
28 ~~automatically suspended if the appraiser does not file with the~~  
29 ~~Commissioner a replacement bond before the date of cancellation of~~  
30 ~~the previous bond.] A replacement bond must meet all requirements~~  
31 ~~[of this section] for the initial bond.~~

32 **Sec. 18.** NRS 684B.060 is hereby amended to read as follows:

33 684B.060 1. If the Commissioner finds that the application is  
34 complete and the applicant is otherwise eligible and qualified for the  
35 license as a motor vehicle physical damage appraiser, the  
36 Commissioner shall promptly issue the license. If the Commissioner  
37 refuses to issue the license the Commissioner shall promptly notify  
38 the applicant in writing of the refusal, stating the grounds for the  
39 refusal.

40 2. ~~[If the license is refused, the Commissioner shall promptly~~  
41 ~~refund to]~~ *All fees paid by* the applicant ~~[any refundable license fees~~  
42 ~~tendered]~~ *with the application [.] for a license are nonrefundable.*

43 **Sec. 19.** NRS 684B.080 is hereby amended to read as follows:

44 684B.080 1. Each license issued *or renewed* under this  
45 chapter continues in force for 3 years unless it is suspended, revoked



1 or otherwise terminated. A license may be renewed upon payment  
2 of all applicable fees for renewal to the Commissioner and  
3 submission of the statement required pursuant to NRS 684B.083 if  
4 the licensee is a natural person. The statement, if required, must be  
5 submitted and all applicable fees must be paid on or before the ~~last~~  
6 ~~day of the month in which~~ *renewal date for* the license . ~~is~~  
7 ~~renewable.~~

8 2. Any license not so renewed expires ~~at midnight~~ on the ~~last~~  
9 ~~day specified for its~~ renewal ~~[-]~~ *date*. The Commissioner may  
10 accept a request for renewal received by the Commissioner within  
11 30 days after the expiration of the license if the request is  
12 accompanied by a fee for renewal of 150 percent of all applicable  
13 fees otherwise required, except for any fee required pursuant to NRS  
14 680C.110, and the statement required pursuant to NRS 684B.083 if  
15 the person requesting renewal is a natural person.

16 3. *As used in this section, "renewal date" means:*

17 (a) *For the first renewal of the license, the last day of the*  
18 *month which is 3 years after the month in which the*  
19 *Commissioner originally issued the license.*

20 (b) *For each renewal after the first renewal of the license, the*  
21 *last day of the month which is 3 years after the month in which the*  
22 *license was last due to be renewed.*

23 **Sec. 20.** NRS 685A.120 is hereby amended to read as follows:

24 685A.120 1. No person may act as, hold himself or herself  
25 out as or be a surplus lines broker with respect to subjects of  
26 insurance for which this State is the insured's home state unless the  
27 person is licensed as such by the Commissioner pursuant to this  
28 chapter.

29 2. Any person who has been licensed by this State as a  
30 producer of insurance for general lines for at least 6 months, or has  
31 been licensed in another state as a surplus lines broker and continues  
32 to be licensed in that state, and who is deemed by the Commissioner  
33 to be competent and trustworthy with respect to the handling of  
34 surplus lines may be licensed as a surplus lines broker upon:

35 (a) Application for a license and payment of all applicable fees  
36 for a license;

37 (b) Submitting the statement required pursuant to NRS  
38 685A.127; and

39 (c) Passing any examination prescribed by the Commissioner on  
40 the subject of surplus lines.

41 3. An application for a license must be submitted to the  
42 Commissioner on a form designated and furnished by the  
43 Commissioner. The application must include the social security  
44 number of the applicant.



1 4. A license issued *or renewed* pursuant to this chapter  
2 continues in force for 3 years unless it is suspended, revoked or  
3 otherwise terminated. The license may be renewed upon submission  
4 of the statement required pursuant to NRS 685A.127 and payment  
5 of all applicable fees for renewal to the Commissioner on or before  
6 the ~~[last day of the month in which]~~ *renewal date* for the license. ~~[is~~  
7 *renewable.]*

8 5. A license which is not renewed expires ~~[at midnight]~~ on the  
9 ~~[last day specified for its]~~ renewal ~~[.]~~ *date*. The Commissioner may  
10 accept a request for renewal received by the Commissioner within  
11 30 days after the expiration of the license if the request is  
12 accompanied by:

- 13 (a) The statement required pursuant to NRS 685A.127;  
14 (b) All applicable fees for renewal; and  
15 (c) A penalty in an amount that is equal to 50 percent of all  
16 applicable fees for renewal, except for any fee required pursuant to  
17 NRS 680C.110.

18 *6. As used in this section, "renewal date" means:*

19 *(a) For the first renewal of the license, the last day of the*  
20 *month which is 3 years after the month in which the*  
21 *Commissioner originally issued the license.*

22 *(b) For each renewal after the first renewal of the license, the*  
23 *last day of the month which is 3 years after the month in which the*  
24 *license was last due to be renewed.*

25 **Sec. 21.** NRS 686A.360 is hereby amended to read as follows:

26 686A.360 1. An application for a license to engage in the  
27 business of a company must be filed with the Commissioner on a  
28 form prescribed by the Commissioner and must include:

29 (a) A nonrefundable fee for application and for investigation of  
30 the applicant of \$500 and, in addition to any other fee or charge, all  
31 applicable fees required pursuant to NRS 680C.110;

32 (b) A surety bond ~~[payable to the State of Nevada in the amount~~  
33 ~~of \$50,000, executed by a surety company which is authorized to do~~  
34 ~~business in Nevada;]~~ *which complies with section 3 of this act and*  
35 *is in an amount determined by the Commissioner;*

36 (c) A current certified financial statement or another financial  
37 statement if individually approved by the Commissioner;

38 (d) An appointment of the Commissioner and the successors in  
39 office of the Commissioner as the applicant's attorney to receive  
40 service of process; and

41 (e) If the applicant is a corporation, a copy of its articles of  
42 incorporation.

43 2. The applicant shall provide the Commissioner with any  
44 material change concerning information contained in the application  
45 within 10 days after the change occurs.



1     **Sec. 22.** Chapter 687B of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 23 to 35, inclusive, of this  
3 act.

4     **Sec. 23.** *As used in sections 23 to 35, inclusive, of this act,*  
5 *unless the context otherwise requires, the words and terms defined*  
6 *in sections 24 to 31, inclusive, of this act have the meanings*  
7 *ascribed to them in those sections.*

8     **Sec. 24.** *“Attachment point” means the amount of claims or*  
9 *losses incurred by an insured beyond which an insurer under a*  
10 *policy of stop-loss insurance incurs a liability for payment to the*  
11 *insured.*

12     **Sec. 25.** *“Group health plan” has the meaning ascribed to it*  
13 *in NRS 689B.390.*

14     **Sec. 26.** *“Health care services” has the meaning ascribed to*  
15 *it in NRS 687B.620.*

16     **Sec. 27.** *“Multiple employer welfare arrangement” has the*  
17 *meaning ascribed to it in NRS 680A.028.*

18     **Sec. 28.** *“Network” has the meaning ascribed to it in*  
19 *NRS 687B.640.*

20     **Sec. 29.** *“Policy of provider stop-loss insurance” means a*  
21 *policy of stop-loss insurance which:*

22         1. *Is issued to a provider of health care or a network;*

23         2. *Provides coverage for losses of the provider of health care*  
24 *or network above an attachment point which is stated in the*  
25 *policy; and*

26         3. *Covers losses of the provider of health care or network*  
27 *which result from the financial risk assumed by the provider of*  
28 *health care or network in a managed care contract with another*  
29 *insurer, including, without limitation, an accident and health*  
30 *insurer, health insurer, health maintenance organization or self-*  
31 *funded group health plan, with whom the provider of health care*  
32 *or network has entered into a contract to provide health care*  
33 *services.*

34     **Sec. 30.** *“Policy of stop-loss insurance” means a policy or*  
35 *contract of insurance, which provides coverage for the losses of an*  
36 *insured above an attachment point which is stated in the policy or*  
37 *contract, including, without limitation, a policy of insurance*  
38 *which includes stop-loss coverage or excess loss coverage.*

39     **Sec. 31.** *“Provider of health care” has the meaning ascribed*  
40 *to it in NRS 687B.660.*

41     **Sec. 32.** *An insurer authorized in this State to issue policies*  
42 *or contracts of property and casualty insurance, accident and*  
43 *health insurance or health insurance shall report to the*  
44 *Commissioner any premiums written in this State by the insurer*





1 *for policies of stop-loss insurance. The insurer shall report the*  
2 *premiums:*

3 *1. With the annual statement filed by the insurer pursuant to*  
4 *NRS 680A.270; and*

5 *2. In the manner prescribed by the Commissioner.*

6 **Sec. 33.** *1. An insurer intending to issue a policy of stop-*  
7 *loss insurance in this State to cover losses of a group health plan*  
8 *shall, before issuing the policy, exercise reasonable diligence to*  
9 *confirm that:*

10 *(a) The underlying group health plan is legitimate; and*

11 *(b) The entity offering the underlying group health plan is*  
12 *properly authorized to offer the group health plan.*

13 *2. If the underlying group health plan is a self-funded*  
14 *multiple employer welfare arrangement, the reasonable diligence*  
15 *required by subsection 1 includes, without limitation, ensuring*  
16 *that the self-funded multiple employer welfare arrangement is*  
17 *authorized to do business in this State pursuant to chapter 680A of*  
18 *NRS as a self-funded multiple employer welfare arrangement.*

19 **Sec. 34.** *A policy form for a policy of stop-loss insurance*  
20 *which is intended for issue in this State to cover losses of a group*  
21 *health plan must be filed with and approved by the Commissioner*  
22 *pursuant to NRS 687B.120 before being delivered or issued for*  
23 *delivery. In addition to any other applicable requirements, the*  
24 *policy form must satisfy the following requirements:*

25 *1. The policy of stop-loss insurance must be issued to and*  
26 *insure the sponsor of the group health plan or the group health*  
27 *plan itself and must not be issued to or insure:*

28 *(a) Employees covered by the group health plan;*

29 *(b) Members of the group health plan; or*

30 *(c) Participants in the group health plan.*

31 *2. Payments by the insurer under the policy of stop-loss*  
32 *insurance must be made to the sponsor of the group health plan or*  
33 *the group health plan itself and must not be made to:*

34 *(a) Employees covered by the group health plan;*

35 *(b) Members of the group health plan;*

36 *(c) Participants in the group health plan;*

37 *(d) Providers of health care who provide health care services*  
38 *pursuant to the group health plan; or*

39 *(e) A network whose providers of health care provide health*  
40 *care services pursuant to the group health plan.*

41 **Sec. 35.** *1. A policy form for a policy of provider stop-loss*  
42 *insurance which is intended for issue in this State must be filed*  
43 *with and approved by the Commissioner pursuant to NRS*  
44 *687B.120 before being delivered or issued for delivery. In addition*



1 *to any other applicable requirements, the policy form must satisfy*  
2 *the following requirements:*

3 *(a) The policy of provider stop-loss insurance must be issued to*  
4 *and insure the provider of health care or the network which enters*  
5 *into the policy.*

6 *(b) Payments by the insurer under the policy of provider stop-*  
7 *loss insurance must be made to the provider of health care or the*  
8 *network which enters into the policy.*

9 *(c) The policy of provider stop-loss insurance must provide:*

10 *(1) An attachment point per claimant of at least \$10,000;*  
11 *and*

12 *(2) An aggregate attachment point of at least \$100,000 per*  
13 *calendar year.*

14 *(d) The policy of provider stop-loss insurance must require*  
15 *that the proof of loss be furnished to the insurer within 90 days*  
16 *after:*

17 *(1) The date the loss is incurred; or*

18 *(2) Any date provided in the policy which is later than the*  
19 *date the loss is incurred.*

20 *2. A policy form filed with the Commissioner for approval as*  
21 *required by subsection 1 must be accompanied by a separate*  
22 *document certifying that each of the requirements specified in*  
23 *paragraphs (a) to (d), inclusive, of subsection 1 have been met.*

24 **Sec. 36.** NRS 688C.200 is hereby amended to read as follows:

25 688C.200 1. Upon the filing of an application and payment  
26 of all applicable fees, the Commissioner shall investigate the  
27 applicant, and issue a license if the Commissioner finds that the  
28 applicant:

29 (a) If a provider of viatical settlements, has set forth a detailed  
30 plan of operation;

31 (b) Is competent and trustworthy and intends to act in good faith  
32 in the capacity for which the license is sought;

33 (c) Has a good reputation in business and, if a natural person,  
34 has had experience, training or education which qualifies the  
35 applicant in that capacity;

36 (d) If an organization, provides a certificate of good standing  
37 from the state of its domicile; and

38 (e) If a provider or broker of viatical settlements:

39 (1) Has included a plan to prevent fraud which satisfies the  
40 requirements of NRS 688C.490; and

41 (2) Has demonstrated evidence of financial responsibility  
42 through either:

43 (I) A surety bond ~~executed and issued by an authorized~~  
44 ~~surety in favor of the State of Nevada, continuous in form] which~~  
45 *complies with section 3 of this act* and *is* in an amount ~~as]~~



1 determined by the Commissioner, ~~to~~ *which must be* not less than  
2 \$250,000; or

3 (II) A deposit of cash, certificates of deposit, securities or  
4 any combination thereof in the amount of \$250,000.

5 2. The Commissioner shall not issue a license to a nonresident  
6 unless a written designation of an agent for service of process, or an  
7 irrevocable written consent to the commencement of an action  
8 against the applicant by service of process upon the Commissioner,  
9 accompanies the application.

10 3. A provider or broker of viatical settlements shall furnish to  
11 the Commissioner new or revised information concerning partners,  
12 members, officers, holders of more than 10 percent of its stock, and  
13 designated employees within 30 days after a change occurs.

14 4. Notwithstanding any provision of this section to the  
15 contrary, the Commissioner shall accept as evidence of financial  
16 responsibility proof that financial instruments complying with the  
17 requirements of this section have been filed with a state where the  
18 applicant is licensed as a provider or broker of viatical settlements.

19 5. A surety bond issued for the purposes of this section must  
20 specifically authorize recovery by the Commissioner on behalf of  
21 any person in this State who sustained damages as a result of:

- 22 (a) Erroneous acts;
- 23 (b) Failure to act; or
- 24 (c) Conviction of:
  - 25 (1) Fraud; or
  - 26 (2) Unfair practices,

27 ↪ by the provider or broker of viatical settlements.

28 6. The Commissioner may request evidence of financial  
29 responsibility as described in subparagraph (2) of paragraph (e) of  
30 subsection 1 at any time the Commissioner deems necessary.

31 **Sec. 37.** NRS 689.185 is hereby amended to read as follows:  
32 689.185 1. Except as otherwise provided in subsection 2:

33 (a) Before the issuance of a certificate of authority, the seller  
34 shall post with the Commissioner and thereafter maintain in force a  
35 bond ~~[in the principal sum of]~~ *which complies with section 3 of this*  
36 *act and is in an amount determined by the Commissioner, which*  
37 *must be not less than \$50,000 ,* ~~[issued by an authorized corporate~~  
38 ~~surety in favor of the State of Nevada,]~~ or a deposit of cash or  
39 negotiable securities or a combination of cash and negotiable  
40 securities. If a deposit is made in lieu of a bond, the deposit must at  
41 all times have a market value of not less than the amount of the  
42 bond required by the Commissioner.

43 (b) The bond or deposit must be held for the benefit of buyers of  
44 prepaid contracts, and other persons as their interests may appear,  
45 who may be damaged by misuse or diversion of money by the seller



1 or the agents of the seller, or to satisfy any judgments against the  
2 seller for failure to perform a prepaid contract. The aggregate  
3 liability of the surety for all breaches of the conditions of the bond  
4 must not exceed the sum of the bond. ~~[The surety on the bond has  
5 the right to cancel the bond upon giving 30 days' notice to the  
6 Commissioner and thereafter is relieved of liability for any breach  
7 of condition occurring after the effective date of the cancellation.~~

8 ~~— (c) A certificate of authority issued to a seller is automatically  
9 suspended if the seller does not file with the Commissioner a  
10 replacement bond before the date of cancellation of the previous  
11 bond.]~~

12 (c) A replacement bond must meet all requirements of this  
13 subsection for the initial bond.

14 (d) The Commissioner shall release the ~~[bond or]~~ deposit after  
15 the seller has ceased doing business as such and the Commissioner  
16 is satisfied of the nonexistence of any obligation or liability of the  
17 seller for which the ~~[bond or]~~ deposit was held.

18 2. The Commissioner may waive the requirements of  
19 subsection 1 if the seller agrees:

20 (a) To offer for sale only prepaid contracts that are payable  
21 solely from the proceeds of a policy of life insurance; and

22 (b) Not to collect any money from the purchaser of a prepaid  
23 contract.

24 **Sec. 38.** NRS 689.255 is hereby amended to read as follows:

25 689.255 1. Each agent's license issued *or renewed* pursuant  
26 to NRS 689.150 to 689.375, inclusive, continues in force for 3 years  
27 unless it is suspended, revoked or otherwise terminated.

28 2. An agent's license may be renewed at the request of the  
29 holder of a valid seller's certificate of authority, upon filing a  
30 written request for renewal accompanied by all applicable fees for  
31 renewal and the statement required pursuant to NRS 689.258. All  
32 applicable fees for renewal are nonrefundable.

33 3. Any license not so renewed expires ~~[at midnight]~~ on the ~~[last  
34 day of the month specified for its]~~ renewal ~~[ ]~~ *date*. The  
35 Commissioner may accept a request for renewal received by the  
36 Commissioner within 30 days after the expiration of the license if  
37 the request is accompanied by a fee for renewal of 150 percent of all  
38 applicable fees otherwise required, except for any fee required  
39 pursuant to NRS 680C.110, and the statement required pursuant to  
40 NRS 689.258.

41 4. An agent's license is valid only while the agent is employed  
42 by a holder of a valid seller's certificate of authority.

43 5. *As used in this section, "renewal date" means:*



1 (a) For the first renewal of the license, the last day of the  
2 month which is 3 years after the month in which the  
3 Commissioner originally issued the license.

4 (b) For each renewal after the first renewal of the license, the  
5 last day of the month which is 3 years after the month in which the  
6 license was last due to be renewed.

7 **Sec. 39.** NRS 689.495 is hereby amended to read as follows:

8 689.495 1. Except as otherwise provided in subsection 2:

9 (a) Before the issuance of a permit to a seller, the seller shall  
10 post with the Commissioner and thereafter maintain in force a bond  
11 ~~[in the principal sum of]~~ which complies with section 3 of this act  
12 and is in an amount determined by the Commissioner, which must  
13 be not less than \$50,000, ~~[issued by an authorized corporate surety~~  
14 ~~in favor of the State of Nevada,]~~ or a deposit of cash or negotiable  
15 securities or a combination of cash and negotiable securities. If a  
16 deposit is made in lieu of a bond, the deposit must at all times have  
17 a market value not less than the amount of the bond required by the  
18 Commissioner.

19 (b) The bond or deposit must be held for the benefit of buyers of  
20 prepaid contracts, and other persons as their interests may appear,  
21 who may be damaged by misuse or diversion of money by the seller  
22 or the agents of the seller, or to satisfy any judgments against the  
23 seller for failure to perform a prepaid contract. The aggregate  
24 liability of the surety for all breaches of the conditions of the bond  
25 must not exceed the sum of the bond. ~~[The surety on the bond has~~  
26 ~~the right to cancel the bond upon giving 30 days' notice to the~~  
27 ~~Commissioner and thereafter is relieved of liability for any breach~~  
28 ~~of condition occurring after the effective date of the cancellation.~~

29 ~~—(c) A permit issued to a seller is automatically suspended if the~~  
30 ~~seller does not file with the Commissioner a replacement bond~~  
31 ~~before the date of cancellation of the previous bond.]~~

32 (c) A replacement bond must meet all requirements of this  
33 subsection for the initial bond.

34 (d) The Commissioner shall release the ~~[bond or]~~ deposit after  
35 the seller has ceased doing business as such and the Commissioner  
36 is satisfied of the nonexistence of any obligation or liability of the  
37 seller for which the ~~[bond or]~~ deposit was held.

38 2. The Commissioner may waive the requirements of  
39 subsection 1 if the seller agrees:

40 (a) To offer for sale only prepaid contracts that are payable  
41 solely from the proceeds of a policy of life insurance; and

42 (b) Not to collect any money from the purchaser of a prepaid  
43 contract.



1     **Sec. 40.** NRS 689.505 is hereby amended to read as follows:

2     689.505 1. Each seller's permit issued *or renewed* pursuant  
3 to NRS 689.450 to 689.595, inclusive, continues in effect for 3  
4 years unless it is suspended, revoked or otherwise terminated.

5     2. The Commissioner shall renew a seller's permit upon  
6 receiving a written request for renewal from the seller, accompanied  
7 by all applicable fees for renewal, which are not refundable, if the  
8 Commissioner finds that the seller is, at that time, in compliance  
9 with all applicable provisions of NRS 689.450 to 689.595, inclusive.

10    3. A permit which is not renewed expires ~~[at midnight]~~ on the  
11 ~~[last day specified for its]~~ renewal ~~[.]~~ date. The Commissioner may  
12 accept a request for renewal received by the Commissioner within  
13 30 days after the expiration of the permit if the request is  
14 accompanied by a fee for renewal of 150 percent of all applicable  
15 fees otherwise required, except for any fee required pursuant to  
16 NRS 680C.110.

17    4. *As used in this section, "renewal date" means:*

18    (a) *For the first renewal of the permit, the last day of the*  
19 *month which is 3 years after the month in which the*  
20 *Commissioner originally issued the permit.*

21    (b) *For each renewal after the first renewal of the permit, the*  
22 *last day of the month which is 3 years after the month in which the*  
23 *permit was last due to be renewed.*

24    **Sec. 41.** NRS 689.530 is hereby amended to read as follows:

25    689.530 1. Each agent's license issued *or renewed* pursuant  
26 to NRS 689.450 to 689.595, inclusive, continues in effect for 3  
27 years unless it is suspended, revoked or otherwise terminated.

28    2. An agent's license may be renewed, unless it has been  
29 suspended or revoked, at the request of the holder of a valid seller's  
30 permit upon filing a written request for renewal accompanied by all  
31 applicable fees for renewal and the statement required pursuant to  
32 NRS 689.258. All applicable fees for renewal are not refundable.

33    3. *An agent's license which is not renewed expires on the*  
34 *renewal date.* The Commissioner may accept a request for renewal  
35 which is received by the Commissioner within 30 days after the  
36 expiration of the license if the request is accompanied by a fee for  
37 renewal of 150 percent of all applicable fees otherwise required,  
38 except for any fee required pursuant to NRS 680C.110, and the  
39 statement required pursuant to NRS 689.258.

40    4. An agent's license is valid only while the agent is employed  
41 by a holder of a valid seller's permit.

42    5. *As used in this section, "renewal date" means:*

43    (a) *For the first renewal of the license, the last day of the*  
44 *month which is 3 years after the month in which the*  
45 *Commissioner originally issued the license.*



1 (b) For each renewal after the first renewal of the license, the  
2 last day of the month which is 3 years after the month in which the  
3 license was last due to be renewed.

4 **Sec. 42.** NRS 689A.717 is hereby amended to read as follows:

5 689A.717 1. Except as otherwise provided in this subsection,  
6 an individual health benefit plan issued pursuant to this chapter that  
7 includes coverage for maternity care and pediatric care for newborn  
8 infants may not restrict benefits for any length of stay in a hospital  
9 in connection with childbirth for a **[mother] pregnant or postpartum**  
10 **individual** or newborn infant covered by the plan to:

11 (a) Less than 48 hours after a normal vaginal delivery; and

12 (b) Less than 96 hours after a cesarean section.

13 ↪ If a different length of stay is provided in the guidelines  
14 established by the American College of Obstetricians and  
15 Gynecologists, or its successor organization, and the American  
16 Academy of Pediatrics, or its successor organization, the individual  
17 health benefit plan may follow such guidelines in lieu of following  
18 the length of stay set forth above. The provisions of this subsection  
19 do not apply to any individual health benefit plan in any case in  
20 which the decision to discharge the **[mother] pregnant or**  
21 **postpartum individual** or newborn infant before the expiration of  
22 the minimum length of stay set forth in this subsection is made by  
23 the attending physician of the **[mother] pregnant or postpartum**  
24 **individual** or newborn infant.

25 2. Nothing in this section requires a **[mother] pregnant or**  
26 **postpartum individual** to:

27 (a) Deliver **[her] the** baby in a hospital; or

28 (b) Stay in a hospital for a fixed period following the birth of  
29 **[her] the** child.

30 3. An individual health benefit plan that offers coverage for  
31 maternity care and pediatric care of newborn infants may not:

32 (a) Deny a **[mother] pregnant or postpartum individual** or **[her]**  
33 **the** newborn infant coverage or continued coverage under the terms  
34 of the plan or coverage if the sole purpose of the denial of coverage  
35 or continued coverage is to avoid the requirements of this section;

36 (b) Provide monetary payments or rebates to a **[mother]**  
37 **pregnant or postpartum individual** to encourage **[her] the**  
38 **individual** to accept less than the minimum protection available  
39 pursuant to this section;

40 (c) Penalize, or otherwise reduce or limit, the reimbursement of  
41 an attending provider of health care because the attending provider  
42 of health care provided care to a **[mother] pregnant or postpartum**  
43 **individual** or newborn infant in accordance with the provisions of  
44 this section;



1 (d) Provide incentives of any kind to an attending physician to  
2 induce the attending physician to provide care to a ~~mother~~  
3 *pregnant or postpartum individual* or newborn infant in a manner  
4 that is inconsistent with the provisions of this section; or

5 (e) Except as otherwise provided in subsection 4, restrict  
6 benefits for any portion of a hospital stay required pursuant to the  
7 provisions of this section in a manner that is less favorable than the  
8 benefits provided for any preceding portion of that stay.

9 4. Nothing in this section:

10 (a) Prohibits an individual health benefit plan from imposing a  
11 deductible, coinsurance or other mechanism for sharing costs  
12 relating to benefits for hospital stays in connection with childbirth  
13 for a ~~mother~~ *pregnant or postpartum individual* or newborn child  
14 covered by the plan, except that such coinsurance or other  
15 mechanism for sharing costs for any portion of a hospital stay  
16 required by this section may not be greater than the coinsurance or  
17 other mechanism for any preceding portion of that stay.

18 (b) Prohibits an arrangement for payment between an individual  
19 health benefit plan and a provider of health care that uses capitation  
20 or other financial incentives, if the arrangement is designed to  
21 provide services efficiently and consistently in the best interest of  
22 the ~~mother~~ *pregnant or postpartum individual* and ~~her~~ *the*  
23 newborn infant.

24 (c) Prevents an individual health benefit plan from negotiating  
25 with a provider of health care concerning the level and type of  
26 reimbursement to be provided in accordance with this section.

27 **Sec. 43.** NRS 689B.520 is hereby amended to read as follows:

28 689B.520 1. Except as otherwise provided in this subsection,  
29 a group health plan or coverage offered under group health  
30 insurance issued pursuant to this chapter that includes coverage for  
31 maternity care and pediatric care for newborn infants may not  
32 restrict benefits for any length of stay in a hospital in connection  
33 with childbirth for a ~~mother~~ *pregnant or postpartum individual* or  
34 newborn infant covered by the plan or coverage to:

35 (a) Less than 48 hours after a normal vaginal delivery; and

36 (b) Less than 96 hours after a cesarean section.

37 ↪ If a different length of stay is provided in the guidelines  
38 established by the American College of Obstetricians and  
39 Gynecologists, or its successor organization, and the American  
40 Academy of Pediatrics, or its successor organization, the group  
41 health plan or health insurance coverage may follow such guidelines  
42 in lieu of following the length of stay set forth above. The  
43 provisions of this subsection do not apply to any group health plan  
44 or health insurance coverage in any case in which the decision to  
45 discharge the ~~mother~~ *pregnant or postpartum individual* or





1 newborn infant before the expiration of the minimum length of stay  
2 set forth in this subsection is made by the attending physician of the  
3 **{mother} pregnant or postpartum individual** or newborn infant.

4 2. Nothing in this section requires a **{mother} pregnant or**  
5 **postpartum individual** to:

6 (a) Deliver **{her} the** baby in a hospital; or

7 (b) Stay in a hospital for a fixed period following the birth of  
8 **{her} the** child.

9 3. A group health plan or coverage under group health  
10 insurance that offers coverage for maternity care and pediatric care  
11 of newborn infants may not:

12 (a) Deny a **{mother} pregnant or postpartum individual** or **{her}**  
13 **the** newborn infant coverage or continued coverage under the terms  
14 of the plan or coverage if the sole purpose of the denial of coverage  
15 or continued coverage is to avoid the requirements of this section;

16 (b) Provide monetary payments or rebates to a **{mother}**  
17 **pregnant or postpartum individual** to encourage **{her} the**  
18 **individual** to accept less than the minimum protection available  
19 pursuant to this section;

20 (c) Penalize, or otherwise reduce or limit, the reimbursement of  
21 an attending provider of health care because the attending provider  
22 of health care provided care to a **{mother} pregnant or postpartum**  
23 **individual** or newborn infant in accordance with the provisions of  
24 this section;

25 (d) Provide incentives of any kind to an attending physician to  
26 induce the attending physician to provide care to a **{mother}**  
27 **pregnant or postpartum individual** or newborn infant in a manner  
28 that is inconsistent with the provisions of this section; or

29 (e) Except as otherwise provided in subsection 4, restrict  
30 benefits for any portion of a hospital stay required pursuant to the  
31 provisions of this section in a manner that is less favorable than the  
32 benefits provided for any preceding portion of that stay.

33 4. Nothing in this section:

34 (a) Prohibits a group health plan or carrier from imposing a  
35 deductible, coinsurance or other mechanism for sharing costs  
36 relating to benefits for hospital stays in connection with childbirth  
37 for a **{mother} pregnant or postpartum individual** or newborn child  
38 covered by the plan, except that such coinsurance or other  
39 mechanism for sharing costs for any portion of a hospital stay  
40 required by this section may not be greater than the coinsurance or  
41 other mechanism for any preceding portion of that stay.

42 (b) Prohibits an arrangement for payment between a group  
43 health plan or carrier and a provider of health care that uses  
44 capitation or other financial incentives, if the arrangement is  
45 designed to provide services efficiently and consistently in the best



1 interest of the **{mother}** *pregnant or postpartum individual* and  
2 **{her}** *the* newborn infant.

3 (c) Prevents a group health plan or carrier from negotiating with  
4 a provider of health care concerning the level and type of  
5 reimbursement to be provided in accordance with this section.

6 **Sec. 44.** NRS 689C.194 is hereby amended to read as follows:

7 689C.194 1. Except as otherwise provided in this subsection,  
8 a health benefit plan issued pursuant to this chapter that includes  
9 coverage for maternity care and pediatric care for newborn infants  
10 may not restrict benefits for any length of stay in a hospital in  
11 connection with childbirth for a **{mother}** *pregnant or postpartum*  
12 *individual* or newborn infant covered by the plan to:

13 (a) Less than 48 hours after a normal vaginal delivery; and

14 (b) Less than 96 hours after a cesarean section.

15 ➔ If a different length of stay is provided in the guidelines  
16 established by the American College of Obstetricians and  
17 Gynecologists, or its successor organization, and the American  
18 Academy of Pediatrics, or its successor organization, the health  
19 benefit plan may follow such guidelines in lieu of following the  
20 length of stay set forth above. The provisions of this subsection do  
21 not apply to any health benefit plan in any case in which the  
22 decision to discharge the **{mother}** *pregnant or postpartum*  
23 *individual* or newborn infant before the expiration of the minimum  
24 length of stay set forth in this subsection is made by the attending  
25 physician of the **{mother}** *pregnant or postpartum individual* or  
26 newborn infant.

27 2. Nothing in this section requires a **{mother}** *pregnant or*  
28 *postpartum individual* to:

29 (a) Deliver **{her}** *the* baby in a hospital; or

30 (b) Stay in a hospital for a fixed period following the birth of  
31 **{her}** *the* child.

32 3. A health benefit plan that offers coverage for maternity care  
33 and pediatric care of newborn infants may not:

34 (a) Deny a **{mother}** *pregnant or postpartum individual* or **{her}**  
35 *the* newborn infant coverage or continued coverage under the terms  
36 of the plan if the sole purpose of the denial of coverage or continued  
37 coverage is to avoid the requirements of this section;

38 (b) Provide monetary payments or rebates to a **{mother}**  
39 *pregnant or postpartum individual* to encourage **{her}** *the*  
40 *individual* to accept less than the minimum protection available  
41 pursuant to this section;

42 (c) Penalize, or otherwise reduce or limit, the reimbursement of  
43 an attending provider of health care because the attending provider  
44 of health care provided care to a **{mother}** *pregnant or postpartum*



1 *individual* or newborn infant in accordance with the provisions of  
2 this section;

3 (d) Provide incentives of any kind to an attending physician to  
4 induce the attending physician to provide care to a ~~mother~~  
5 *pregnant or postpartum individual* or newborn infant in a manner  
6 that is inconsistent with the provisions of this section; or

7 (e) Except as otherwise provided in subsection 4, restrict  
8 benefits for any portion of a hospital stay required pursuant to the  
9 provisions of this section in a manner that is less favorable than the  
10 benefits provided for any preceding portion of that stay.

11 4. Nothing in this section:

12 (a) Prohibits a health benefit plan or carrier from imposing a  
13 deductible, coinsurance or other mechanism for sharing costs  
14 relating to benefits for hospital stays in connection with childbirth  
15 for a ~~mother~~ *pregnant or postpartum individual* or newborn child  
16 covered by the plan, except that such coinsurance or other  
17 mechanism for sharing costs for any portion of a hospital stay  
18 required by this section may not be greater than the coinsurance or  
19 other mechanism for any preceding portion of that stay.

20 (b) Prohibits an arrangement for payment between a health  
21 benefit plan or carrier and a provider of health care that uses  
22 capitation or other financial incentives, if the arrangement is  
23 designed to provide services efficiently and consistently in the best  
24 interest of the ~~mother~~ *pregnant or postpartum individual* and  
25 ~~her~~ *the* newborn infant.

26 (c) Prevents a health benefit plan or carrier from negotiating  
27 with a provider of health care concerning the level and type of  
28 reimbursement to be provided in accordance with this section.

29 **Sec. 45.** NRS 689C.560 is hereby amended to read as follows:

30 689C.560 A voluntary purchasing group shall post a bond for  
31 the benefit of members of the group and their eligible employees  
32 and dependents, or deposit a certificate of deposit or securities, ~~in~~  
33 ~~such a manner~~ *which complies with section 3 of this act* and *is in*  
34 *an* amount as *determined by* the Commissioner . ~~establishes by~~  
35 ~~regulation.~~

36 **Sec. 46.** Chapter 690C of NRS is hereby amended by adding  
37 thereto the provisions set forth as sections 47 and 48 of this act.

38 **Sec. 47. 1.** *In addition to any other requirements set forth*  
39 *in this chapter, a natural person who applies for the issuance or*  
40 *renewal of a certificate of registration as a provider shall:*

41 (a) *Include the social security number of the applicant in the*  
42 *application submitted to the Commissioner.*

43 (b) *Submit to the Commissioner the statement prescribed by*  
44 *the Division of Welfare and Supportive Services of the Department*



1 of Health and Human Services pursuant to NRS 425.520. The  
2 statement must be completed and signed by the applicant.

3 2. The Commissioner shall include the statement required  
4 pursuant to subsection 1 in:

5 (a) The application or any other forms that must be submitted  
6 for the issuance or renewal of the certificate; or

7 (b) A separate form prescribed by the Commissioner.

8 3. A certificate may not be issued or renewed by the  
9 Commissioner if the applicant:

10 (a) Fails to submit the statement required pursuant to  
11 subsection 1; or

12 (b) Indicates on the statement submitted pursuant to  
13 subsection 1 that the applicant is subject to a court order for the  
14 support of a child and is not in compliance with the order or a  
15 plan approved by the district attorney or other public agency  
16 enforcing the order for the repayment of the amount owed  
17 pursuant to the order.

18 4. If an applicant indicates on the statement submitted  
19 pursuant to subsection 1 that the applicant is subject to a court  
20 order for the support of a child and is not in compliance with the  
21 order or a plan approved by the district attorney or other public  
22 agency enforcing the order for the repayment of the amount owed  
23 pursuant to the order, the Commissioner shall advise the applicant  
24 to contact the district attorney or other public agency enforcing  
25 the order to determine the actions that the applicant may take to  
26 satisfy the arrearage.

27 **Sec. 48.** 1. If the Commissioner receives a copy of a court  
28 order issued pursuant to NRS 425.540 that provides for the  
29 suspension of all professional, occupational and recreational  
30 licenses, certificates and permits issued to a person who is the  
31 holder of a certificate of registration as a provider, the  
32 Commissioner shall deem the certificate issued to that person to be  
33 suspended at the end of the 30th day after the date on which the  
34 court order was issued unless the Commissioner receives a letter  
35 issued to the holder of the certificate by the district attorney or  
36 other public agency pursuant to NRS 425.550 stating that the  
37 holder of the certificate has complied with the subpoena or  
38 warrant or has satisfied the arrearage pursuant to NRS 425.560.

39 2. The Commissioner shall reinstate a certificate that has  
40 been suspended by a district court pursuant to NRS 425.540 if the  
41 Commissioner receives a letter issued to the holder of the  
42 certificate by the district attorney or other public agency pursuant  
43 to NRS 425.550 stating that the person whose certificate was  
44 suspended has complied with the subpoena or warrant or has  
45 satisfied the arrearage pursuant to NRS 425.560.



1       **Sec. 49.** NRS 690C.120 is hereby amended to read as follows:  
2       690C.120 1. Except as otherwise provided in this chapter, the  
3 marketing, issuance, sale, offering for sale, making, proposing to  
4 make and administration of service contracts are not subject to the  
5 provisions of title 57 of NRS, except, when applicable, the  
6 provisions of:

- 7       (a) NRS 679B.020 to 679B.152, inclusive;  
8       (b) NRS 679B.159 to 679B.300, inclusive ~~{ }~~, *and sections 2*  
9 *and 3 of this act;*  
10       (c) NRS 679B.310 to 679B.370, inclusive;  
11       (d) NRS 679B.600 to 679B.690, inclusive;  
12       (e) NRS 685B.090 to 685B.190, inclusive;  
13       (f) NRS 686A.010 to 686A.095, inclusive;  
14       (g) NRS 686A.160 to 686A.187, inclusive; and  
15       (h) NRS 686A.260, 686A.270, 686A.280, 686A.300 and  
16 686A.310.

17       2. A provider, person who sells service contracts, administrator  
18 or any other person is not required to obtain a certificate of authority  
19 from the Commissioner pursuant to chapter 680A of NRS to issue,  
20 sell, offer for sale or administer service contracts.

21       **Sec. 50.** NRS 690C.150 is hereby amended to read as follows:  
22       690C.150 A ~~{provider}~~ *person* shall not issue, sell or offer for  
23 sale service contracts in this state unless the ~~{provider}~~ *person* has  
24 been issued a certificate of registration *as a provider* pursuant to the  
25 provisions of this chapter.

26       **Sec. 51.** NRS 690C.160 is hereby amended to read as follows:  
27       690C.160 1. A ~~{provider who wishes to issue, sell or offer}~~  
28 *person who issues, sells or offers* for sale service contracts in this  
29 state must submit to the Commissioner:

- 30       (a) A registration application on a form prescribed by the  
31 Commissioner;  
32       (b) Proof that the ~~{provider}~~ *person* has complied with the  
33 requirements for financial security set forth in NRS 690C.170;  
34       (c) A copy of each type of service contract the ~~{provider}~~ *person*  
35 proposes to issue, sell or offer for sale;  
36       (d) The name, address and telephone number of each  
37 administrator with whom the ~~{provider}~~ *person* intends to contract;  
38       (e) ~~{A}~~ *The* fee ~~{of \$2,000}~~ *specified in NRS 680B.010* and all  
39 applicable fees required pursuant to NRS 680C.110 to be paid at the  
40 time of application; ~~{and}~~  
41       (f) ~~{The}~~ *If the applicant is a natural person, the following*  
42 *information:*

43       (1) *Whether the applicant, in the last 10 years, has been:*

44       (1) *Convicted of a felony or misdemeanor of which an*  
45 *essential element is fraud;*



1 (II) *Adjudged bankrupt;*

2 (III) *Refused a license or registration in the business of*  
3 *a service contract provider or had an existing license or*  
4 *registration in the business of a service contract provider*  
5 *suspended or revoked by any state or governmental agency or*  
6 *authority; or*

7 (IV) *Fined by any state or governmental agency or*  
8 *authority in any matter regarding service contracts; and*

9 (2) *Whether there are any pending criminal actions against*  
10 *the applicant other than moving traffic violations; and*

11 (g) *If the applicant is not a natural person, the* following  
12 information for each controlling person:

13 (1) Whether the person, in the last 10 years, has been:

14 (I) Convicted of a felony or misdemeanor of which an  
15 essential element is fraud;

16 (II) Insolvent or adjudged bankrupt;

17 (III) Refused a license or registration as a service contract  
18 provider or had an existing license or registration as a service  
19 contract provider suspended or revoked by any state or  
20 governmental agency or authority; or

21 (IV) Fined by any state or governmental agency or  
22 authority in any matter regarding service contracts; and

23 (2) Whether there are any pending criminal actions against  
24 the person other than moving traffic violations.

25 2. In addition to the fee required by subsection 1, a provider  
26 must pay ,  ~~a fee of \$25~~ for each type of service contract the  
27 provider files with the Commissioner ~~[-]~~ , *the fee specified in NRS*  
28 *680B.010 for filing rates and policies.*

29 3.  ~~Each year,~~ *Every 2 years*, not later than the anniversary  
30 date of his or her certificate of registration, a provider must pay the  
31  ~~annual~~ *biennial* fee required pursuant to NRS 680C.110 in  
32 addition to any other fee required pursuant to this section.

33 4. A certificate of registration is valid for 2 years after the date  
34 the Commissioner issues the certificate to the *applicant or renews*  
35 *the certificate for the* provider. A provider may renew his or her  
36 certificate of registration if, not later than 60 days before the  
37 certificate expires, the provider submits to the Commissioner ~~[-]~~ *for*  
38 *the Commissioner's review and approval:*

39 (a) An application on a form prescribed by the Commissioner;

40 (b)  ~~A~~ *The* fee  ~~of \$2,000~~ *specified in NRS 680B.010* and, in  
41 addition to any other fee or charge, all applicable fees required  
42 pursuant to  ~~subsection~~ *subsections 2 and 3*;  ~~and~~

43 (c) The information required by paragraph (f) of subsection 1 ~~[-]~~  
44 *, if the provider is a natural person and the provider has had a*



1 *change in any of the information previously submitted to the*  
2 *Commissioner; and*

3 *(d) If the provider is not a natural person, the information*  
4 *required by paragraph (g) of subsection 1:*

5 (1) If an existing controlling person has had a change in any  
6 of the information previously submitted to the Commissioner; or

7 (2) For a controlling person who has not previously  
8 submitted the information required by paragraph ~~[(f)]~~ (g) of  
9 subsection 1 to the Commissioner.

10 5. All fees paid pursuant to this section are nonrefundable.

11 6. Each application submitted pursuant to this section,  
12 including, without limitation, an application for renewal, must:

13 (a) *If the applicant is a natural person, be signed by the*  
14 *applicant; and*

15 *(b) If the applicant is not a natural person:*

16 (1) Be signed by an executive officer, if any, of the  
17 ~~provider~~ applicant or, if the ~~provider~~ applicant does not have an  
18 executive officer, by a controlling person of the ~~provider;~~  
19 applicant; and

20 ~~[(b)]~~ (2) Have attached to it an affidavit signed by the person  
21 described in ~~paragraph (a)]~~ subparagraph (1) which meets the  
22 requirements of subsection 7.

23 7. Before signing the application described in subsection 6, the  
24 person who signs the application shall verify that the information  
25 provided is accurate to the best of his or her knowledge.

26 **Sec. 52.** NRS 690C.170 is hereby amended to read as follows:

27 690C.170 1. ~~To be issued~~ *Each person who applies for a*  
28 *certificate of registration [ ] as a provider pursuant to NRS*  
29 *690C.160 and each provider who has been issued a certificate*  
30 *must comply with one of the following to provide for financial*  
31 *security:*

32 (a) Purchase a contractual liability insurance policy which  
33 insures the obligations of each service contract the provider issues,  
34 sells or offers for sale. The contractual liability insurance policy  
35 must:

36 (1) Be issued by an insurer which is licensed, registered or  
37 otherwise authorized to transact insurance in this state or pursuant to  
38 the provisions of chapter 685A of NRS.

39 (2) Contain a provision prohibiting the insurer from  
40 terminating the policy until a notice of termination has been mailed  
41 or delivered to the Commissioner at least 60 days prior to the  
42 termination of the policy. Any such termination shall not reduce  
43 the responsibility of the insurer for service contracts issued by the  
44 provider prior to the effective date of termination.



1 (b) Maintain a reserve account in this State and deposit with the  
2 Commissioner security as provided in this subsection. The reserve  
3 account must contain at all times an amount of money equal to at  
4 least 40 percent of the unearned gross consideration received by the  
5 provider for any unexpired service contracts. The reserve account  
6 must be kept separate from the operating accounts of the provider  
7 and must be clearly identified as the “ (Provider’s Name) Nevada  
8 Service Contracts Funded Reserve Account.” The Commissioner  
9 may examine the reserve account at any time. The provider shall  
10 also deposit with the Commissioner security in an amount that is  
11 equal to \$25,000 or 10 percent of the unearned gross consideration  
12 received by the provider for any unexpired service contracts,  
13 whichever is greater. The security must be:

14 (1) A surety bond ~~issued by a surety company authorized to~~  
15 ~~do business in this State;~~ *which complies with section 3 of this act;*

16 (2) Securities of the type eligible for deposit pursuant to  
17 NRS 682B.030;

18 (3) Cash;

19 (4) An irrevocable letter of credit issued by a financial  
20 institution approved by the Commissioner; or

21 (5) In any other form prescribed by the Commissioner.

22 (c) Maintain, or be a subsidiary of a parent company that  
23 maintains, a net worth or stockholders’ equity of at least  
24 \$100,000,000. Upon request, a provider shall provide to the  
25 Commissioner a copy of the most recent Form 10-K report or Form  
26 20-F report filed by the provider or parent company of the provider  
27 with the Securities and Exchange Commission within the previous  
28 year. If the provider or parent company is not required to file those  
29 reports with the Securities and Exchange Commission, the provider  
30 shall provide to the Commissioner a copy of the most recently  
31 audited financial statements of the provider or parent company. If  
32 the net worth or stockholders’ equity of the parent company of the  
33 provider is used to comply with the requirements of this subsection,  
34 the parent company must guarantee to carry out the duties of the  
35 provider under any service contract issued or sold by the provider.

36 2. A provider shall not use any money in a reserve account  
37 described in paragraph (b) of subsection 1 for any purpose other  
38 than to pay an obligation of the provider under an unexpired service  
39 contract.

40 3. A provider shall maintain the financial security required by  
41 subsection 1 until:

42 (a) The provider ceases doing business in this State; and

43 (b) The provider has performed or otherwise satisfied all  
44 liabilities and obligations under all unexpired service contracts  
45 issued by the provider.





1 4. If the certificate of registration of a provider has not expired  
2 and the provider fails to maintain the financial security required by  
3 subsection 1, including, without limitation, if the financial security  
4 is cancelled or lapses, the provider shall not issue or sell a service  
5 contract on or after the effective date of such failure until the  
6 provider submits to the Commissioner proof satisfactory to the  
7 Commissioner that the provider is in compliance with subsection 1.

8 **Sec. 53.** NRS 690C.260 is hereby amended to read as follows:

9 690C.260 1. A service contract must:

10 (a) Be written in language that is understandable and printed in a  
11 typeface that is easy to read.

12 (b) Indicate that it is insured by a contractual liability insurance  
13 policy if it is so insured, and include the name and address of the  
14 issuer of the policy or that it is backed by the full faith and credit of  
15 the provider if the service contract is not insured by a contractual  
16 liability insurance policy.

17 (c) Include the amount of any deductible that the holder is  
18 required to pay.

19 (d) Include the name and address of the provider and, if  
20 applicable:

21 (1) The name and address of the administrator; and

22 (2) The name of the holder, if provided by the holder.

23 ↪ The names and addresses of such persons are not required to be  
24 preprinted on the service contract and may be added to the service  
25 contract at the time of the sale.

26 (e) Include the purchase price of the service contract. The  
27 purchase price must be determined pursuant to a schedule of fees  
28 established by the provider. The purchase price is not required to be  
29 preprinted on the service contract and may be negotiated with the  
30 holder and added to the service contract at the time of sale.

31 (f) Include a description of the goods covered by the service  
32 contract.

33 (g) Specify the duties of the provider and any limitations,  
34 exceptions or exclusions.

35 (h) If the service contract covers a motor vehicle, indicate  
36 whether replacement parts that are not made for or by the original  
37 manufacturer of the motor vehicle may be used to comply with the  
38 terms of the service contract.

39 (i) Include any restrictions on transferring or renewing the  
40 service contract.

41 (j) Include the terms, restrictions or conditions for cancelling the  
42 service contract before it expires and the procedure for cancelling  
43 the service contract. The conditions for cancelling the service  
44 contract must include, without limitation, the provisions of  
45 NRS 690C.270.



1 (k) Include the duties of the holder under the contract, including,  
2 without limitation, the duty to protect against damage to the goods  
3 covered by the service contract or to comply with any instructions  
4 included in the owner's manual for the goods.

5 (l) Indicate whether the service contract authorizes the holder to  
6 recover consequential damages.

7 (m) Indicate whether any defect in the goods covered by the  
8 service contract existing on the date the contract is purchased is not  
9 covered under the service contract.

10 2. A provider shall not allow, make or cause to be made a false  
11 or misleading statement in any of the service contracts *or*  
12 *advertisements* of the provider *or its affiliates or business partners*  
13 or intentionally omit a material statement that causes a service  
14 contract *or advertisement* to be misleading. The Commissioner may  
15 require the provider to amend any service contract *or advertisement*  
16 that the Commissioner determines is false or misleading.

17 **Sec. 54.** NRS 692A.103 is hereby amended to read as follows:

18 692A.103 1. A person who wishes to obtain a license as an  
19 escrow officer must:

20 (a) File a written application in the Office of the Commissioner;

21 (b) Except as otherwise provided in subsection 3, demonstrate  
22 competency in matters relating to escrows by:

23 (1) Having at least 1 year of recent experience with respect to  
24 escrows of a sufficient nature to allow the person to fulfill the  
25 responsibilities of an escrow officer; or

26 (2) Passing a written examination concerning escrows as  
27 prescribed by the Commissioner;

28 (c) Submit the name and business address of the title agent who  
29 will supervise the escrow officer;

30 (d) Submit the statement required pursuant to NRS 692A.1033;  
31 and

32 (e) Pay the fees required by NRS 680B.010 and, in addition to  
33 any other fee or charge, all applicable fees required pursuant to  
34 NRS 680C.110.

35 2. The Commissioner shall issue a license as an escrow officer  
36 to any person who satisfies the requirements of subsection 1.

37 3. The Commissioner may waive the requirements of  
38 paragraph (b) of subsection 1 if the applicant submits with his or her  
39 application satisfactory proof that the applicant, in good standing,  
40 currently holds a license, or held a license within 1 year before the  
41 date the applicant submits the application, which was issued  
42 pursuant to the provisions of NRS 645A.020.

43 4. A license issued *or renewed* pursuant to this chapter  
44 continues in force for 3 years unless it is suspended, revoked or  
45 otherwise terminated. The license may be renewed upon submission



1 of the statement required pursuant to NRS 692A.1033 and payment  
2 of all applicable fees for renewal to the Commissioner on or before  
3 the ~~[last day of the month in which]~~ *renewal date* for the license. ~~[is~~  
4 *renewable.]*

5 5. ~~[A license which is not renewed expires at midnight on the~~  
6 ~~last day specified for its renewal.]~~ The Commissioner may accept a  
7 request for renewal received by the Commissioner within 30 days  
8 after the expiration of the license if the request is accompanied by  
9 the statement required pursuant to NRS 692A.1033 and a fee for  
10 renewal of 150 percent of all applicable fees otherwise required,  
11 except for any fee required pursuant to NRS 680C.110.

12 6. *Except as otherwise provided in subsection 9, a license as*  
13 *an escrow officer expires if the Commissioner does not receive*  
14 *from the escrow officer an application for renewal pursuant to*  
15 *subsection 4 or 5 on or before the date which is 30 days after the*  
16 *renewal date.*

17 7. *The fees specified in subsections 4 and 5 are not*  
18 *refundable.*

19 8. *A natural person who allows his or her license as an*  
20 *escrow officer to expire pursuant to subsection 6 may, within 12*  
21 *months after the renewal date, reinstate the license without*  
22 *passing a written examination if the natural person:*

23 (a) *Completes all applicable continuing education*  
24 *requirements; and*

25 (b) *Pays a penalty of twice all applicable fees for renewal,*  
26 *except for any fee required pursuant to NRS 680C.110.*

27 9. *An escrow officer who is unable to renew his or her license*  
28 *because of military service, extended medical disability or other*  
29 *extenuating circumstance may request a waiver of the time limit*  
30 *and of any fine or sanction otherwise required or imposed because*  
31 *of the failure to renew.*

32 10. *A license must state the licensee's name, address,*  
33 *personal identification number, the date of issuance, the lines of*  
34 *authority and the date of expiration and must contain any other*  
35 *information the Commissioner considers necessary. The license*  
36 *must be made available for public inspection upon request.*

37 11. *A licensee shall inform the Commissioner of each change*  
38 *of business, residence or electronic mail address, in writing or by*  
39 *other means acceptable to the Commissioner, within 30 days after*  
40 *the change. If a licensee changes his or her business, residence or*  
41 *electronic mail address without giving written notice and the*  
42 *Commissioner is unable to locate the licensee after diligent effort,*  
43 *the Commissioner may revoke the license without a hearing. The*  
44 *mailing of a letter by certified mail, return receipt requested,*  
45 *addressed to the licensee at his or her last mailing address*



1 *appearing on the records of the Division, and the return of the*  
2 *letter undelivered, constitutes a diligent effort by the*  
3 *Commissioner.*

4 **12.** The Commissioner shall adopt regulations to carry out the  
5 provisions of this section.

6 **13.** *As used in this section, “renewal date” means:*

7 *(a) For the first renewal of the license, the last day of the*  
8 *month which is 3 years after the month in which the*  
9 *Commissioner originally issued the license.*

10 *(b) For each renewal after the first renewal of the license, the*  
11 *last day of the month which is 3 years after the month in which the*  
12 *license was last due to be renewed.*

13 **Sec. 55.** NRS 692A.1041 is hereby amended to read as  
14 follows:

15 692A.1041 1. In addition to all other requirements set forth  
16 in this title and except as otherwise provided in ~~subsection 4~~  
17 **subsections 2 and 3** and NRS 692A.1042, as a condition to doing  
18 business in this State, each title agent and title insurer shall deposit  
19 with the Commissioner and keep in full force and effect a corporate  
20 surety bond ~~[payable to the State of Nevada, in the amount set forth~~  
21 ~~in subsection 3, which is executed by a corporate surety satisfactory~~  
22 ~~to]~~ **which complies with section 3 of this act and is in an amount**  
23 **as determined by the Commissioner . [and which names] The bond**  
24 **must name** as principals the title agency or title insurer and all  
25 escrow officers employed by or associated with the title agent or  
26 title insurer.

27 2. ~~The bond must be in substantially the following form:~~

28  
29 ~~— Know All Persons by These Presents, that .....~~  
30 ~~as principal, and ....., as surety, are held and~~  
31 ~~firmly bound unto the State of Nevada for the use and benefit~~  
32 ~~of any person who suffers damages because of a violation of~~  
33 ~~any of the provisions of chapter 692A of NRS, in the sum of~~  
34 ~~....., lawful money of the United States, to be paid to the~~  
35 ~~State of Nevada for such use and benefit, for which payment~~  
36 ~~well and truly to be made, and that we bind ourselves, our~~  
37 ~~heirs, executors, administrators, successors and assigns,~~  
38 ~~jointly and severally, firmly by these presents.~~

39 ~~— The condition of that obligation is such that: Whereas, the~~  
40 ~~Commissioner of Insurance of the Department of Business~~  
41 ~~and Industry of the State of Nevada has issued the principal a~~  
42 ~~license or certificate of authority as a title agent or title~~  
43 ~~insurer, and the principal is required to furnish a bond, which~~  
44 ~~is conditioned as set forth in this bond:~~



1 —Now, therefore, if the principal, the principal's agents and  
2 employees, strictly, honestly and faithfully comply with the  
3 provisions of chapter 692A of NRS, and pay all damages  
4 suffered by any person because of a violation of any of the  
5 provisions of chapter 692A of NRS, or by reason of any  
6 fraud, dishonesty, misrepresentation or concealment of  
7 material facts growing out of any transaction governed by the  
8 provisions of chapter 692A of NRS, then this obligation is  
9 void; otherwise it remains in full force.

10 —This bond becomes effective on the .....(day) of  
11 .....(month) of .....(year), and remains in force until the  
12 surety is released from liability by the Commissioner of  
13 Insurance or until this bond is cancelled by the surety. The  
14 surety may cancel this bond and be relieved of further  
15 liability hereunder by giving 60 days' written notice to the  
16 principal and to the Commissioner of Insurance of the  
17 Department of Business and Industry of the State of Nevada.

18 —In Witness Whereof, the seal and signature of the principal  
19 hereto is affixed, and the corporate seal and the name of the  
20 surety hereto is affixed and attested by its authorized officers  
21 at ....., Nevada, this .....(day) of  
22 .....(month) of .....(year).

23  
24 .....(Seal)  
25 Principal  
26 .....(Seal)  
27 Surety  
28 By.....  
29 Attorney-in fact  
30 .....  
31 Nevada licensed insurance agent

32  
33 —3.] Each title agent and title insurer ~~[shall deposit]~~ *may, in lieu*  
34 *of* a corporate surety bond that complies with the provisions of ~~[this~~  
35 ~~section or]~~ *subsection 1, deposit* a substitute form of security that  
36 complies with the provisions of NRS 692A.1042 in an amount ~~[that:~~  
37 —(a) ~~Is not less than \$20,000 or 2 percent of the average collected~~  
38 ~~balance of the trust account or escrow account maintained by the~~  
39 ~~title agent or title insurer pursuant to NRS 692A.250, whichever is~~  
40 ~~greater; and~~  
41 —(b) ~~Is not more than \$250,000.~~

42 ➔] *as determined by the Commissioner.* The Commissioner shall  
43 determine the appropriate amount of the ~~[surety bond or]~~ substitute  
44 form of security that must be deposited initially by the title agent or  
45 title insurer based upon the expected average collected balance of



1 the trust account or escrow account maintained by the title agent or  
2 title insurer pursuant to NRS 692A.250. After the initial deposit, the  
3 Commissioner shall, on an annual basis, determine the appropriate  
4 amount of the ~~surety bond or~~ substitute form of security that must  
5 be deposited by the title agent or title insurer based upon the average  
6 collected balance of the trust account or escrow account maintained  
7 by the title agent or title insurer pursuant to NRS 692A.250.

8 ~~4.~~ 3. A title agent or title insurer may offset or reduce the  
9 amount of the ~~surety bond or~~ substitute form of security that the  
10 title agent or title insurer is required to deposit pursuant to  
11 subsection ~~3~~ 2 by the amount of any of the following:

12 (a) Cash or securities deposited with the Commissioner in this  
13 State pursuant to NRS 680A.140 or 682B.015.

14 (b) Reserves against unpaid losses and loss expenses maintained  
15 pursuant to NRS 692A.150 or 692A.170.

16 (c) Unearned premium reserves maintained pursuant to NRS  
17 692A.160 or 692A.170.

18 (d) Fidelity bonds maintained by the title agent or title insurer.

19 (e) Other bonds or policies of insurance maintained by the title  
20 agent or title insurer covering liability for economic losses to  
21 customers caused by the title agent or title insurer.

22 **Sec. 56.** NRS 692A.230 is hereby amended to read as follows:

23 692A.230 1. No person may engage in business as a title  
24 plant company unless the person has been granted a license to do so  
25 by the Commissioner.

26 2. An applicant for a license to conduct business as a title plant  
27 company shall submit as part of his or her application:

28 (a) A copy of the proposed articles of incorporation or  
29 association and bylaws, or the partnership agreement, which will  
30 govern the operation of the business.

31 (b) A list of the owners or participants and the nature and degree  
32 of their interest.

33 (c) A list of the persons who will operate the business, and their  
34 addresses and qualifications, including experience.

35 (d) The conditions under which ownership or participation in the  
36 business may be sold or acquired.

37 (e) A statement of whether or not title information will be  
38 compiled for persons other than owners or participants in the  
39 business.

40 (f) A pro forma balance sheet and other financial information to  
41 indicate the sufficiency of financing of the business.

42 (g) Other information which the Commissioner requires.

43 ~~FA~~ **The fee ~~of \$10.~~ specified in NRS 680B.010.**

44 3. If the Commissioner finds that:

45 (a) The business of the applicant will be sufficiently financed;



1 (b) The persons who will be operating the business are qualified;  
2 (c) The rules of operation expressed in the articles of  
3 incorporation or association and the bylaws, or in the partnership  
4 agreement, will promote the efficiency of the operation of the  
5 owners or participants; and

6 (d) The operation of the business will not unduly restrict  
7 competition, the Commissioner may issue a license to the applicant  
8 and permit organization of the business.

9 4. A license issued under this section is valid for a period of 1  
10 year, and may be renewed by the submission of any information  
11 which the Commissioner requires and ~~the~~ *the* fee ~~of \$10.~~ *specified*  
12 *in NRS 680B.010.*

13 5. A license issued under this section may be suspended or  
14 revoked by the Commissioner if:

15 (a) The licensee ceases to operate in a manner set forth in its  
16 approved application.

17 (b) In the opinion of the Commissioner, the operation of the  
18 business has become a restraint on competition or is not in the best  
19 interests of the public.

20 (c) The licensee has not informed the Commissioner promptly  
21 of each change in conditions set forth in its application.

22 6. The Commissioner shall give written notice to any licensee  
23 whose license the Commissioner intends to suspend or revoke, and  
24 the licensee shall be granted a hearing if the licensee requests it in  
25 writing within 15 days after the receipt of the notice from the  
26 Commissioner. A decision of the Commissioner after hearing is  
27 final administrative action.

28 7. This section does not apply to any person licensed under the  
29 provisions of this chapter engaged in the business of a title plant  
30 company when the operation is not in concert with others.

31 **Sec. 57.** NRS 692C.3504 is hereby amended to read as  
32 follows:

33 692C.3504 1. Each insurer, or the insurance group of which  
34 the insurer is a member, shall, not later than June 1 of each calendar  
35 year, submit to the Commissioner a corporate governance annual  
36 disclosure which contains the information prescribed by the  
37 Commissioner by regulation pursuant to subsection 2 of NRS  
38 692C.3506. If an insurer is a member of an insurance group, the  
39 insurer shall submit the report required by this section to the  
40 insurance commissioner of the lead state for the insurance group in  
41 accordance with the laws of the lead state, as determined by the  
42 procedures contained in the most recent Financial Analysis  
43 Handbook published by the National Association of Insurance  
44 Commissioners.



1 2. *Each year after the year in which the insurer or insurance*  
2 *group first submitted its corporate governance annual disclosure*  
3 *pursuant to subsection 1, the insurer or insurance group shall also*  
4 *submit to the Commissioner an amended version of the corporate*  
5 *governance annual disclosure which was submitted the previous*  
6 *year. The amended version must indicate where changes to the*  
7 *corporate governance annual disclosure have been made,*  
8 *including, without limitation, any changes in the information or*  
9 *activities reported by the insurer or insurance group. If no*  
10 *changes have been made, the amended version must expressly*  
11 *indicate that no changes have been made.*

12 3. The corporate governance annual disclosure must include  
13 the signature of the chief executive officer or corporate secretary of  
14 the insurer or insurance group attesting that, to the best of that  
15 person's belief and knowledge, the insurer or insurance group has  
16 implemented the corporate governance practices described in the  
17 corporate governance annual disclosure and that a copy of  
18 the corporate governance annual disclosure has been provided to the  
19 board of directors, or the appropriate committee thereof, of the  
20 insurer or insurance group.

21 ~~[3.]~~ 4. An insurer that is not required to submit a corporate  
22 governance annual disclosure to the Commissioner pursuant to  
23 subsection 1 shall do so upon the Commissioner's request.

24 ~~[4.]~~ 5. For purposes of completing the corporate governance  
25 annual disclosure, the insurer or insurance group may provide  
26 information regarding the corporate governance at the level of the  
27 legal entity which exercises ultimate control over the insurer or  
28 insurance group, of an intermediate holding company or of the  
29 insurer or insurance group, depending upon the manner in which the  
30 insurer or insurance group has structured its system of corporate  
31 governance. The insurer or insurance group shall, to the extent  
32 practicable, provide such information at the level at which:

33 (a) The insurer or insurance group determines the amount of risk  
34 it is willing to bear;

35 (b) The earnings, capital, liquidity, operations and reputation of  
36 the insurer or insurance group are overseen collectively and the  
37 supervision of those factors are coordinated and exercised; or

38 (c) Legal liability for a failure of general corporate governance  
39 duties would be placed.

40 ➔ If the insurer or insurance group determines the level of reporting  
41 based on these criteria, it shall indicate in the corporate governance  
42 annual disclosure which of the three criteria was used to determine  
43 the level of reporting and explain any changes in the level of  
44 reporting used for subsequent corporate governance annual  
45 disclosures.





1 ~~[5.]~~ 6. The review of the corporate governance annual  
2 disclosure and any additional requests for information must be  
3 performed by the lead state as determined by the procedures  
4 contained in the most recent Financial Analysis Handbook  
5 published by the National Association of Insurance Commissioners.

6 ~~[6.]~~ 7. An insurer or insurance group which provides  
7 information substantially similar to the information required by  
8 NRS 692C.3501 to 692C.3509, inclusive, in other documents  
9 provided to the Commissioner, including, without limitation, proxy  
10 statements filed in conjunction with any forms filed pursuant to  
11 NRS 692C.270 or any regulations adopted pursuant thereto, or other  
12 state or federal filings provided to the Division, may cross-reference  
13 in the corporate governance annual disclosure the document in  
14 which the information is included rather than duplicating such  
15 information in the corporate governance annual disclosure.

16 **Sec. 58.** NRS 694C.259 is hereby amended to read as follows:

17 694C.259 1. A captive insurer which ~~ceases to transact~~ *is*  
18 *not transacting* the business of insurance, including, without  
19 limitation, the issuance of insurance policies and the assumption of  
20 reinsurance, may apply to the Commissioner for a certificate of  
21 dormancy.

22 2. Upon application by a captive insurer pursuant to subsection  
23 1, the Commissioner may issue a certificate of dormancy to the  
24 captive insurer. The Commissioner may issue a certificate of  
25 dormancy to a captive insurer even if the captive insurer retains  
26 liabilities that are associated with policies that were written or  
27 assumed by the captive insurer provided that the captive insurer  
28 ~~has~~ otherwise ~~ceased to transact~~ *is not transacting* the business  
29 of insurance.

30 3. A dormant captive insurer shall:

31 (a) Possess and thereafter maintain unimpaired paid-in capital  
32 and surplus of not less than \$25,000.

33 (b) Pursuant to NRS 694C.230, pay an annual fee and, in  
34 addition to any other fee or charge, all applicable fees required  
35 pursuant to NRS 680C.110 for the renewal of a license.

36 (c) Be subject to examination for any year for which the  
37 dormant captive insurer is not in compliance with the provisions of  
38 this section.

39 4. A dormant captive insurer may:

40 (a) At the discretion of the Commissioner, be subject to  
41 examination for any year for which the dormant captive insurer is in  
42 compliance with the provisions of this section.

43 (b) Continue to adjudicate and settle insurance claims under any  
44 contract of insurance or reinsurance that the captive insurer issued  
45 during any period in which the captive insurer was not a dormant



1 captive insurer. The effective date of such a contract of insurance or  
2 reinsurance must be before the date on which the Commissioner  
3 issued a certificate of dormancy to the captive insurer.

4 5. ~~[A]~~ *After being issued a certificate of dormancy, and until*  
5 *the certificate of dormancy expires or is revoked, a dormant captive*  
6 *insurer is not:*

7 (a) Subject to or liable for the payment of any tax pursuant to  
8 NRS 694C.450.

9 (b) Required to:

10 (1) Prepare audited financial statements;

11 (2) Obtain actuarial certifications or opinions; or

12 (3) File annual reports with the Commissioner pursuant to  
13 NRS 694C.400.

14 6. A certificate of dormancy is subject to renewal after 5 years .  
15 ~~[and is forfeited if not renewed within that period.]~~ *If not timely*  
16 *renewed, the certificate of dormancy expires. Immediately upon*  
17 *the expiration of the certificate of dormancy, the captive insurer*  
18 *must be in compliance with all provisions of this chapter*  
19 *applicable to a captive insurer which holds an active license to*  
20 *transact the business of insurance issued pursuant to this chapter.*

21 7. Except as otherwise provided by this section, before issuing  
22 any insurance policy or otherwise transacting the business of  
23 insurance, a dormant captive insurer must apply to the  
24 Commissioner for approval to surrender its certificate of dormancy  
25 and resume transacting the business of insurance.

26 8. The Commissioner shall revoke the certificate of dormancy  
27 of a dormant captive insurer that is not in compliance with the  
28 provisions of this section.

29 9. The Commissioner may adopt regulations necessary to carry  
30 out the provisions of this section.

31 **Sec. 59.** NRS 694C.310 is hereby amended to read as follows:

32 694C.310 1. The board of directors of a captive insurer shall  
33 meet at least once each year in this State. The captive insurer shall:

34 (a) Maintain its principal place of business in this State; and

35 (b) Appoint a resident of this State as a registered agent to  
36 accept service of process and otherwise act on behalf of the captive  
37 insurer in this State. If the registered agent cannot be located with  
38 reasonable diligence for the purpose of serving a notice or demand  
39 on the captive insurer, the notice or demand may be served on the  
40 Secretary of State who shall be deemed to be the agent for the  
41 captive insurer.

42 2. A captive insurer shall not transact insurance in this State  
43 unless:

44 (a) The captive insurer has made adequate arrangements with:



1 (1) A state-chartered bank, a state-chartered credit union or a  
2 thrift company licensed pursuant to chapter 677 of NRS that is  
3 located in this State; or

4 (2) A federally chartered bank *or federally chartered credit*  
5 *union* that has a branch which is located in this State,  
6 ↪ that is authorized pursuant to state or federal law to transfer  
7 money.

8 (b) If the captive insurer employs or has entered into a contract  
9 with a natural person or business organization to manage the affairs  
10 of the captive insurer, the natural person or business organization  
11 meets the standards ~~[of competence and experience satisfactory]~~  
12 *described in paragraph (b) of subsection 4 of NRS 694C.210* to the  
13 *satisfaction of the* Commissioner.

14 (c) The captive insurer employs or has entered into a contract  
15 with a qualified and experienced certified public accountant who is  
16 approved by the Commissioner or a firm of certified public  
17 accountants that is nationally recognized.

18 (d) The captive insurer employs or has entered into a contract  
19 with qualified, experienced actuaries who are approved by the  
20 Commissioner to perform reviews and evaluations of the operations  
21 of the captive insurer.

22 (e) The captive insurer employs or has entered into a contract  
23 with an attorney who is licensed to practice law in this State and  
24 who meets the standards of competence and experience in matters  
25 concerning the regulation of insurance in this State established by  
26 the Commissioner by regulation.

27 *3. The Commissioner may periodically review the*  
28 *qualifications of a natural person or business organization*  
29 *described in paragraph (b) of subsection 2 and, if appropriate:*

30 (a) *Disqualify the manager pursuant to the authority of the*  
31 *Commissioner under NRS 679B.125; or*

32 (b) *Suspend or revoke the license of the captive insurer*  
33 *pursuant to NRS 694C.270.*

34 **Sec. 60.** NRS 695A.060 is hereby amended to read as follows:

35 695A.060 1. Duly certified copies of the laws and rules of the  
36 society, copies of all proposed forms of certificates, applications  
37 therefor, circulars to be issued by the society and a bond conditioned  
38 upon the return to applicants of the advanced payments if the  
39 organization is not completed within 1 year must be filed with  
40 the Commissioner, who may require such further information as the  
41 Commissioner deems necessary. The bond ~~[with sureties approved~~  
42 ~~by the Commissioner]~~ must *comply with section 3 of this act and*  
43 *be in [such] an amount [determined by the Commissioner, which*  
44 *must be* not less than \$300,000 nor more than \$1,500,000 . ~~[, as~~  
45 ~~required by the Commissioner.]~~ All documents filed must be in the



1 English language. If the purposes of the society conform to the  
2 requirements of this chapter and all applicable provisions of the law  
3 of this state have been complied with, the Commissioner shall so  
4 certify, retain and file the articles of incorporation and furnish the  
5 incorporators a preliminary certificate of authority for the society to  
6 solicit members as provided in this chapter.

7 2. No preliminary certificate of authority granted under the  
8 provisions of this section is valid after 1 year from its date or after  
9 such further period, not exceeding 1 year, as may be authorized by  
10 the Commissioner upon cause shown, unless 500 applicants have  
11 been secured and the organization has been completed as provided  
12 in this chapter. The articles of incorporation and all proceedings  
13 thereunder are void 1 year after the date of the preliminary  
14 certificate of authority, or at the expiration of the extended period,  
15 unless the society has completed its organization and received a  
16 certificate of authority to do business.

17 **Sec. 61.** NRS 695B.320 is hereby amended to read as follows:

18 695B.320 1. Nonprofit hospital and medical or dental service  
19 corporations are subject to the provisions of this chapter, and to the  
20 provisions of chapters 679A and 679B of NRS, *subsections 2, 4, 18,*  
21 *19 and 31 of NRS 680B.010, NRS 680B.025 to 680B.060,*  
22 *inclusive, chapter 681B of NRS, NRS 686A.010 to 686A.315,*  
23 *inclusive, 686B.010 to 686B.1799, inclusive, 687B.010 to*  
24 *687B.040, inclusive, 687B.070 to 687B.140, inclusive, 687B.150,*  
25 *687B.160, 687B.180, 687B.200 to 687B.255, inclusive, 687B.270,*  
26 *687B.310 to 687B.380, inclusive, 687B.410, 687B.420, 687B.430,*  
27 *687B.500 and chapters 692B, 692C, 693A and 696B of NRS, to the*  
28 *extent applicable and not in conflict with the express provisions of*  
29 *this chapter.*

30 2. For the purposes of this section and the provisions set forth  
31 in subsection 1, a nonprofit hospital and medical or dental service  
32 corporation is included in the meaning of the term “insurer.”

33 **Sec. 62.** NRS 695C.055 is hereby amended to read as follows:

34 695C.055 1. The provisions of NRS 449.465, 679A.200,  
35 679B.700, subsections 7 and 8 of NRS 680A.270, subsections 2, 4,  
36 18, 19 and 31 of NRS 680B.010, NRS 680B.020 to 680B.060,  
37 inclusive, ~~chapter~~ *chapters 681B and 686A* of NRS, NRS  
38 686B.010 to 686B.1799, inclusive, *687B.122 to 687B.128,*  
39 *inclusive, 687B.310 to 687B.420, inclusive,* and 687B.500 and  
40 chapters 692C and 695G of NRS apply to a health maintenance  
41 organization.

42 2. For the purposes of subsection 1, unless the context requires  
43 that a provision apply only to insurers, any reference in those  
44 sections to “insurer” must be replaced by “health maintenance  
45 organization.”



1       **Sec. 63.** NRS 695D.095 is hereby amended to read as follows:  
2       695D.095 1. An organization for dental care is ~~[not exempt~~  
3 ~~from]~~ *subject to* the provisions of ~~[NRS 679B.700. If an~~  
4 ~~organization is an admitted health insurer, as that term is defined in~~  
5 ~~NRS 449.450, it is not exempt from the fees imposed pursuant to]~~  
6 *this chapter and to the provisions set forth in this section, to the*  
7 *extent reasonably applicable. Organizations for dental care are*  
8 *subject to the provisions of* NRS 449.465 ~~[ ]~~, *679B.700,*  
9 *subsections 7 and 8 of NRS 680A.270, subsections 2, 4, 18, 19 and*  
10 *31 of NRS 680B.010, NRS 680B.020 to 680B.060, inclusive,*  
11 *chapters 681B and 686A of NRS, NRS 686B.010 to 686B.1799,*  
12 *inclusive, and chapters 687B, 692C and 695G of NRS.*

13       2. For the purposes of this section and the provisions set forth  
14 in subsection 1, an organization for dental care is included in the  
15 meaning of the term “insurer.”

16       **Sec. 64.** NRS 695D.180 is hereby amended to read as follows:  
17       695D.180 ~~[1. A bond by any]~~ *An organization for dental care*  
18 *or its officers under this chapter shall file a bond with the*  
19 *Commissioner. The bond must [be payable to the State of Nevada*  
20 *and must be conditioned on compliance with the provisions of this*  
21 *chapter. The surety shall pay all damages to any person by reason of*  
22 *any misstatement, misrepresentation, fraud or deceit, or any*  
23 *wrongful act or omission of any person or organization made,*  
24 *committed or omitted in the plan for dental care or caused by any*  
25 *other violation of the provisions of this chapter.*

26 ~~—2. The organization must give notice to the Commissioner at~~  
27 ~~least 90 days before such a bond may be cancelled.]~~ *comply with*  
28 *section 3 of this act and be in an amount determined by the*  
29 *Commissioner.*

30       **Sec. 65.** NRS 695E.140 is hereby amended to read as follows:  
31       695E.140 1. A risk retention group seeking to be chartered in  
32 this State must obtain a certificate of authority pursuant to chapter  
33 694C of NRS to transact liability insurance and, except as otherwise  
34 provided in this chapter, must comply with:

35       (a) All of the laws, regulations and requirements applicable to  
36 liability insurers in this State, unless otherwise approved by the  
37 Commissioner; and

38       (b) The provisions of NRS 695E.150 to 695E.210, inclusive, to  
39 the extent that those provisions do not limit or conflict with the  
40 provisions with which the group is required to comply pursuant to  
41 paragraph (a).

42       2. A risk retention group applying to be chartered in this State  
43 must submit to the Commissioner an application for licensure as an  
44 association captive insurer in accordance with NRS 694C.210.



1 3. A risk retention group chartered in a state other than Nevada  
2 that is seeking to transact insurance as a risk retention group in this  
3 State must comply with the provisions of NRS 694C.390 and  
4 695E.150 to 695E.210, inclusive ~~and~~, *including, without limitation,*  
5 *by submitting the statement of registration required by paragraph*  
6 *(a) of subsection 1 of NRS 695E.150 and paying all fees required*  
7 *for the statement of registration.*

8 **Sec. 66.** NRS 695E.170 is hereby amended to read as follows:

9 695E.170 1. A risk retention group and its agents and  
10 representatives are subject to the provisions of :

11 *(a) NRS 680A.205 and any regulations adopted pursuant*  
12 *thereto, including, without limitation, regulations relating to the*  
13 *standards which may be used by the Commissioner in determining*  
14 *whether a risk retention group is in a hazardous financial*  
15 *condition.*

16 *(b) NRS 686A.010 to 686A.310, inclusive. Any injunction*  
17 *obtained pursuant to those sections must be obtained from a court of*  
18 *competent jurisdiction.*

19 2. All premiums paid for coverages within this state to a risk  
20 retention group are subject to the provisions of chapter 680B of  
21 NRS. Each risk retention group shall report all premiums paid to it  
22 and shall pay the taxes on premiums and any related fines or  
23 penalties for risks resident, located or to be performed in the state.

24 3. Any person acting as an agent or a broker for a risk retention  
25 group pursuant to NRS 695E.210 shall:

26 (a) Report to the Commissioner each premium for direct  
27 business for risks resident, located or to be performed in this State  
28 which the person has placed with or on behalf of a risk retention  
29 group that is not chartered in this State.

30 (b) Maintain a complete and separate record of each policy  
31 obtained from each risk retention group. Each record maintained  
32 pursuant to this subsection must be made available upon request by  
33 the Commissioner for examination pursuant to NRS 679B.240, and  
34 must include, for each policy and each kind of insurance provided  
35 therein:

- 36 (1) The limit of liability;  
37 (2) The period covered;  
38 (3) The effective date;  
39 (4) The name of the risk retention group which issued the  
40 policy;  
41 (5) The gross annual premium charged; and  
42 (6) The amount of return premiums, if any.

43 4. As used in this section, "premiums for direct business"  
44 means any premium written in this State for a policy of insurance.



1 The term does not include any premium for reinsurance or for a  
2 contract between members of a risk retention group.

3 **Sec. 67.** NRS 695F.090 is hereby amended to read as follows:

4 695F.090 1. Prepaid limited health service organizations are  
5 subject to the provisions of this chapter and to the following  
6 provisions, to the extent reasonably applicable:

7 (a) *NRS 686B.010 to 686B.1799, inclusive, concerning rates*  
8 *and essential insurance.*

9 (b) NRS 687B.310 to 687B.420, inclusive, concerning  
10 cancellation and nonrenewal of policies.

11 ~~(b)~~ (c) NRS 687B.122 to 687B.128, inclusive, concerning  
12 readability of policies.

13 ~~(c)~~ (d) The requirements of NRS 679B.152.

14 ~~(d)~~ (e) The fees imposed pursuant to NRS 449.465.

15 ~~(e)~~ (f) NRS 686A.010 to 686A.310, inclusive, concerning  
16 trade practices and frauds.

17 ~~(f)~~ (g) The assessment imposed pursuant to NRS 679B.700.

18 ~~(g)~~ (h) Chapter 683A of NRS.

19 ~~(h)~~ (i) To the extent applicable, the provisions of NRS  
20 689B.340 to 689B.580, inclusive, and chapter 689C of NRS relating  
21 to the portability and availability of health insurance.

22 ~~(i)~~ (j) NRS 689A.035, 689A.0463, 689A.410, 689A.413 and  
23 689A.415.

24 ~~(j)~~ (k) NRS 680B.025 to ~~680B.039,~~ *680B.060*, inclusive,  
25 concerning premium tax, premium tax rate, annual report and  
26 estimated quarterly tax payments. For the purposes of this  
27 subsection, unless the context otherwise requires that a section apply  
28 only to insurers, any reference in those sections to “insurer” must be  
29 replaced by a reference to “prepaid limited health service  
30 organization.”

31 ~~(k)~~ (l) Chapter 692C of NRS, concerning holding companies.

32 ~~(l)~~ (m) NRS 689A.637, concerning health centers.

33 (n) *Chapter 681B of NRS, concerning assets and liabilities.*

34 (o) *NRS 682A.400 to 682A.468, inclusive, concerning*  
35 *investments.*

36 2. For the purposes of this section and the provisions set forth  
37 in subsection 1, a prepaid limited health service organization is  
38 included in the meaning of the term “insurer.”

39 **Sec. 68.** NRS 695F.210 is hereby amended to read as follows:

40 695F.210 1. A prepaid limited health service organization  
41 shall maintain in force a fidelity bond in its own name on its officers  
42 and employees in an amount not less than \$1,000,000 or in any  
43 other amount prescribed by the Commissioner.

44 2. Except as otherwise provided in subsection 3, the bond must  
45 be issued by an insurer licensed to do business in this State.



1 3. If the fidelity bond is not available from an insurer licensed  
2 to do business in this State, a prepaid limited health service  
3 organization may procure a fidelity bond from a surplus lines broker  
4 licensed pursuant to chapter 685A of NRS.

5 4. In lieu of the bond required pursuant to subsection 1, a  
6 prepaid limited health service organization may deposit with the  
7 Commissioner cash, securities or other investments described in  
8 *paragraph (o) of subsection 1 of NRS ~~[695F.180.] 695F.090.~~* The  
9 deposit must be maintained in joint custody with the Commissioner  
10 in the amount and subject to the same conditions required for a bond  
11 pursuant to this subsection.

12 **Sec. 69.** NRS 695F.310 is hereby amended to read as follows:

13 695F.310 1. The Commissioner may examine the affairs of  
14 any prepaid limited health service organization as often as is  
15 reasonably necessary to protect the interests of the residents of this  
16 State, but not less frequently than once every 3 years.

17 2. A prepaid limited health service organization shall make its  
18 books and records available for examination and cooperate with the  
19 Commissioner to facilitate the examination.

20 3. In lieu of such an examination, the Commissioner may  
21 accept the report of an examination conducted by the commissioner  
22 of insurance of another state.

23 4. ~~[The reasonable expenses of an]~~ *An* examination conducted  
24 pursuant to this section must be ~~[assessed, billed and paid]~~  
25 *conducted* in accordance with the provisions of NRS ~~[679B.290.]~~  
26 *679B.230 to 679B.300, inclusive.*

27 5. *A prepaid limited health service organization may be*  
28 *investigated in accordance with NRS 679B.600 to 679B.700,*  
29 *inclusive.*

30 **Sec. 70.** NRS 695J.140 is hereby amended to read as follows:

31 695J.140 1. A certificate may be renewed ~~[for an additional~~  
32 ~~3-year period]~~ by submitting to the Commissioner an application for  
33 renewal and:

34 (a) If the application is made:

35 (1) On or before the ~~[expiration]~~ *renewal* date of the  
36 certificate, all applicable renewal fees; or

37 (2) Except as otherwise provided in subsection 3:

38 (I) Not more than 30 days after the ~~[expiration]~~ *renewal*  
39 date of the certificate, *a renewal fee of 150 percent of* all applicable  
40 renewal fees ~~[plus any late fee required;]~~ *otherwise required, except*  
41 *for any fee required pursuant to NRS 680C.110; or*

42 (II) More than 30 days but not more than 1 year after the  
43 ~~[expiration]~~ *renewal* date of the certificate, all applicable renewal  
44 fees plus a penalty of twice all applicable renewal fees, except for  
45 any fee required pursuant to NRS 680C.110.





1 (b) Proof of the successful completion of appropriate courses of  
2 study required for renewal, as established by the Commissioner by  
3 regulation.

4 2. The fees specified in this section are not refundable.

5 3. An exchange enrollment facilitator who is unable to renew  
6 his or her certificate because of military service, extended medical  
7 disability or other extenuating circumstance may request a waiver of  
8 the time limit and of any fine or sanction otherwise required or  
9 imposed because of the failure to renew.

10 4. *A certificate which:*

11 (a) *Is not renewed pursuant to this section on or before the*  
12 *renewal date expires on the renewal date.*

13 (b) *Is renewed pursuant to this section continues in effect until*  
14 *the next renewal date unless it is suspended, revoked or otherwise*  
15 *terminated.*

16 5. *As used in this section, "renewal date" means:*

17 (a) *For the first renewal of the certificate, the last day of the*  
18 *month which is 3 years after the month in which the*  
19 *Commissioner originally issued the certificate.*

20 (b) *For each renewal after the first renewal of the certificate,*  
21 *the last day of the month which is 3 years after the month in which*  
22 *the certificate was last due to be renewed.*

23 **Sec. 71.** NRS 696A.080 is hereby amended to read as follows:

24 696A.080 1. A person shall not render or agree to render  
25 motor club service without first depositing and thereafter  
26 continuously maintaining security in one of the following forms  
27 with the Commissioner:

28 (a) The sum of \$100,000 in cash.

29 (b) Securities approved by the Commissioner, having a market  
30 value of \$100,000 and being of a type approved by the  
31 Commissioner and legal for investment by admitted insurers issuing  
32 nonassessable policies on a reserve basis.

33 (c) A surety bond *which complies with section 3 of this act and*  
34 *is* in the principal sum of \$100,000, with an admitted surety insurer  
35 as surety.

36 2. In lieu of the deposit required by subsection 1, a foreign or  
37 alien motor club may deposit evidence satisfactory to the  
38 Commissioner that it has on deposit with an officer of a state of the  
39 United States of America, authorized by the law of such state to  
40 accept such deposit:

41 (a) Securities which meet the requirements of paragraph (b) of  
42 subsection 1 of at least a like amount for the benefit and security of  
43 all members and creditors of such motor club; or

44 (b) A surety bond, in the principal sum of \$100,000, which  
45 meets the requirements of NRS 696A.090, issued by a bonding



1 company authorized to do business in the State of Nevada and in the  
2 state where the bond is posted.

3 **Sec. 72.** NRS 696A.140 is hereby amended to read as follows:

4 696A.140 The Commissioner shall not issue a certificate of  
5 authority to any motor club until:

6 1. It files with the Commissioner the following:

7 (a) A formal application for the certificate in such form and  
8 detail as the Commissioner requires, executed under oath by its  
9 president or other principal officer.

10 (b) A certified copy of its charter or articles of incorporation and  
11 its bylaws.

12 2. It pays to the Commissioner the following:

13 (a) ~~[A] The~~ fee ~~[of \$500]~~ *specified in NRS 680B.010* for the  
14 filing of an application for the certificate;

15 (b) ~~[A] The~~ fee ~~[of \$283]~~ *specified in NRS 680B.010* for the  
16 issuance of the certificate; and

17 (c) In addition to any other fee or charge, all applicable fees  
18 required pursuant to NRS 680C.110.

19 3. It deposits the required cash, securities, bond or evidence of  
20 such a deposit in another state as provided in NRS 696A.080 with  
21 the Commissioner.

22 4. Its name is approved by the Commissioner pursuant to  
23 NRS 696A.120.

24 **Sec. 73.** NRS 696A.300 is hereby amended to read as follows:

25 696A.300 1. Each license for a club agent issued *or renewed*  
26 under this chapter continues in force for 3 years unless it is  
27 suspended, revoked or otherwise terminated. A license may be  
28 renewed upon submission of the statement required pursuant to  
29 NRS 696A.303 and payment to the Commissioner of all applicable  
30 fees for renewal. The statement must be submitted and the fees must  
31 be paid on or before the ~~[last day of the month in which]~~ *renewal*  
32 *date for* the license. ~~[is renewable.]~~

33 2. Any license not so renewed expires ~~[at midnight]~~ on the ~~[last~~  
34 ~~day specified for its]~~ renewal ~~[ ]~~ *date*. The Commissioner may  
35 accept a request for renewal received by the Commissioner within  
36 30 days after the expiration of the license if the request is  
37 accompanied by the statement required pursuant to NRS 696A.303,  
38 a fee for renewal of 150 percent of all applicable fees otherwise  
39 required, except for any fee required pursuant to NRS 680C.110.

40 3. In addition to all applicable fees required pursuant to NRS  
41 680C.110 to be deposited in the Fund for Insurance Administration  
42 and Enforcement created by NRS 680C.100, the Commissioner  
43 shall collect in advance and deposit with the State Treasurer for  
44 credit to the State General Fund the ~~[following]~~ fees *specified in*  
45 *NRS 680B.010* for licensure as a club agent. ~~[ ]~~



1 ~~—(a) Application and license.....\$78~~  
 2 ~~—(b) Appointment by each motor club.....5~~  
 3 ~~—(c) Triennial renewal of each license.....78]~~

4 4. As used in this section, “renewal date” means:  
 5 (a) For the first renewal of the license, the last day of the  
 6 month which is 3 years after the month in which the  
 7 Commissioner originally issued the license.

8 (b) For each renewal after the first renewal of the license, the  
 9 last day of the month which is 3 years after the month in which the  
 10 license was last due to be renewed.

11 **Sec. 74.** NRS 697.190 is hereby amended to read as follows:

12 697.190 1. Each applicant for a license as a bail agent, bail  
 13 solicitor or general agent must file with the application, and  
 14 thereafter maintain in force while so licensed, a bond ~~[in favor of the~~  
 15 ~~people of the State of Nevada executed by an authorized surety~~  
 16 ~~insurer. The bond may be continuous in form with total aggregate~~  
 17 ~~liability limited to payment as follows:~~

18 ~~—(a) Bail agent.....\$25,000~~  
 19 ~~—(b) Bail solicitor.....10,000~~  
 20 ~~—(c) General agent.....50,000]~~

21 ~~which complies with section 3 of this act and is in an amount~~  
 22 ~~determined by the Commissioner.~~

23 2. The bond must be conditioned upon full accounting and  
 24 payment to the person entitled thereto of money, property or other  
 25 matters coming into the licensee’s possession through bail bond  
 26 transactions under the license.

27 ~~[3. The bond must remain in force until released by the~~  
 28 ~~Commissioner, or cancelled by the surety. Without prejudice to any~~  
 29 ~~liability previously incurred under the bond, the surety may cancel~~  
 30 ~~the bond upon 30 days’ advance written notice to the licensee and~~  
 31 ~~the Commissioner.]~~

32 **Sec. 75.** NRS 697.230 is hereby amended to read as follows:

33 697.230 1. Except as otherwise provided in NRS 697.177,  
 34 each license issued to *or renewed for* a general agent, bail agent,  
 35 bail enforcement agent or bail solicitor under this chapter continues  
 36 in force for 3 years unless it is suspended, revoked or otherwise  
 37 terminated. A license may be renewed upon payment of all  
 38 applicable fees for renewal to the Commissioner on or before the  
 39 ~~[last day of the month in which]~~ *renewal date for* the license . ~~[is~~  
 40 ~~renewable.]~~ All applicable fees must be accompanied by:

41 (a) Proof that the licensee has completed a 3-hour program of  
 42 continuing education that is:

43 (1) Offered by the authorized surety insurer from whom the  
 44 licensee received written appointment, if any, a state or national  
 45 organization of bail agents or another organization that administers



1 training programs for general agents, bail agents, bail enforcement  
2 agents or bail solicitors; and

3 (2) Approved by the Commissioner;

4 (b) If the licensee is a natural person, the statement required  
5 pursuant to NRS 697.181; and

6 (c) A written request for renewal of the license. The request  
7 must be made and signed:

8 (1) By the licensee in the case of the renewal of a license as a  
9 general agent, bail enforcement agent or bail agent.

10 (2) By the bail solicitor and the bail agent who employs the  
11 solicitor in the case of the renewal of a license as a bail solicitor.

12 2. Any license that is not renewed on or before the ~~last day~~  
13 ~~specified for its~~ renewal *date for the license* expires ~~[at midnight~~  
14 ~~on that day.] on the renewal date~~. The Commissioner may accept a  
15 request for renewal received by the Commissioner within 30 days  
16 after the date of expiration if the request is accompanied by a fee for  
17 renewal of 150 percent of all applicable fees otherwise required,  
18 except for any fee required pursuant to NRS 680C.110, and, if the  
19 person requesting renewal is a natural person, the statement required  
20 pursuant to NRS 697.181.

21 3. A bail agent's license continues in force while there is in  
22 effect an appointment of him or her as a bail agent of one or more  
23 authorized insurers. Upon termination of all the bail agent's  
24 appointments and the bail agent's failure to replace any appointment  
25 within 30 days thereafter, the bail agent's license expires and the  
26 bail agent shall promptly deliver his or her license to the  
27 Commissioner.

28 4. The Commissioner shall terminate the license of a general  
29 agent for a particular insurer upon a written request by the insurer.

30 5. This section does not apply to temporary licenses issued  
31 under NRS 683A.311 or 697.177.

32 6. *As used in this section, "renewal date" means:*

33 (a) *For the first renewal of the license, the last day of the*  
34 *month which is 3 years after the month in which the*  
35 *Commissioner originally issued the license.*

36 (b) *For each renewal after the first renewal of the license, the*  
37 *last day of the month which is 3 years after the month in which the*  
38 *license was last due to be renewed.*

39 **Sec. 76.** NRS 289.310 is hereby amended to read as follows:

40 289.310 **1.** The Commissioner of Insurance and the chief  
41 deputy of the Commissioner of Insurance are peace officers for the  
42 limited purposes of obtaining and exchanging information on  
43 applicants and licensees under title 57 of NRS.

44 **2.** *For the purpose of the administration and enforcement of*  
45 *the provisions of chapter 679B or 686A of NRS involving*



1 *investigations of insurance fraud, the fraud unit within the*  
2 *Division of Insurance of the Department of Business and Industry*  
3 *and those agents of the fraud unit within the Division whose*  
4 *duties include the enforcement, or the investigation of suspected*  
5 *violations, of statutes or regulations, have the powers of a peace*  
6 *officer.*

7 **Sec. 77.** NRS 616A.465 is hereby amended to read as follows:

8 616A.465 1. Except as otherwise provided in this section, the  
9 Division shall:

10 (a) Regulate insurers pursuant to chapters 616A to 617,  
11 inclusive, of NRS;

12 (b) Investigate insurers regarding compliance with statutes and  
13 the Division's regulations; *and*

14 (c) ~~Determine whether an employee leasing company is entitled~~  
15 ~~to a certificate of registration pursuant to NRS 616B.673; and~~

16 ~~—(d) Regulate employee leasing companies pursuant to the~~  
17 ~~provisions of NRS [616B.670 to 616B.697, inclusive.]~~ **616B.692.**

18 2. The Commissioner is responsible for reviewing rates,  
19 investigating the solvency of insurers, authorizing private carriers  
20 pursuant to chapter 680A of NRS and certifying:

21 (a) Self-insured employers pursuant to NRS 616B.300 to  
22 616B.330, inclusive, and 616B.336;

23 (b) Associations of self-insured public or private employers  
24 pursuant to NRS 616B.350 to 616B.446, inclusive; and

25 (c) Third-party administrators pursuant to chapter 683A of NRS.

26 3. The Department of Administration is responsible for  
27 contested claims relating to industrial insurance pursuant to NRS  
28 616C.310 to 616C.385, inclusive. The Administrator is responsible  
29 for administrative appeals pursuant to NRS 616B.215.

30 4. The Nevada Attorney for Injured Workers is responsible for  
31 legal representation of claimants pursuant to NRS 616A.435 to  
32 616A.460, inclusive, and 616D.120.

33 5. The Division is responsible for the investigation of  
34 complaints. If a complaint is filed with the Division, the  
35 Administrator shall cause to be conducted an investigation which  
36 includes a review of relevant records and interviews of affected  
37 persons. If the Administrator determines that a violation may have  
38 occurred, the Administrator shall proceed in accordance with the  
39 provisions of NRS 616D.120 and 616D.130.

40 6. As used in this section, "employee leasing company" has the  
41 meaning ascribed to it in NRS 616B.670.

42 **Sec. 78.** NRS 616B.306 is hereby amended to read as follows:

43 616B.306 ~~[+]~~ If a self-insured employer becomes insolvent,  
44 institutes any voluntary proceeding under the Bankruptcy Act or is  
45 named in any involuntary proceeding thereunder, makes a general or



1 special assignment for the benefit of creditors or fails to pay  
2 compensation under chapters 616A to 616D, inclusive, or chapter  
3 617 of NRS after an order for payment of any claim becomes final,  
4 the Commissioner may, after giving at least 10 days' notice to the  
5 employer and any insurer or guarantor, use money or interest on  
6 securities, sell securities or institute legal proceedings on surety  
7 bonds deposited or filed with the Commissioner *pursuant to section*  
8 *3 of this act* to the extent necessary to make those payments. Until  
9 the Commissioner gives a 10-day notice pursuant to this subsection,  
10 the employer is entitled to all interest and dividends on bonds or  
11 securities on deposit *pursuant to section 3 of this act* and to  
12 exercise all voting rights, stock options and other similar incidents  
13 of ownership thereof.

14 ~~[2.— A company providing a surety bond under NRS 616B.300~~  
15 ~~may terminate liability on its surety bond by giving the~~  
16 ~~Commissioner and the employer 90 days' written notice. The~~  
17 ~~termination does not limit liability which was incurred under the~~  
18 ~~surety bond before the termination. If the employer fails to requalify~~  
19 ~~as a self insured employer on or before the termination date, the~~  
20 ~~employer's certification is withdrawn when the termination becomes~~  
21 ~~effective.]~~

22 **Sec. 79.** NRS 616B.440 is hereby amended to read as follows:

23 616B.440 1. For the purposes of NRS 616B.350 to  
24 616B.446, inclusive, an association of self-insured public or private  
25 employers is insolvent if it is unable to pay its outstanding  
26 obligations as they mature in the regular course of its business.

27 2. If an association of self-insured public or private employers  
28 becomes insolvent, institutes any voluntary proceeding pursuant to  
29 the Bankruptcy Act or is named in any voluntary proceeding  
30 thereunder, makes a general or special assignment for the benefit of  
31 creditors or fails to pay compensation pursuant to chapters 616A to  
32 616D, inclusive, or chapter 617 of NRS after an order for the  
33 payment of any claim becomes final, the Commissioner may, after  
34 giving at least 10 days' notice to the association and any insurer or  
35 guarantor, use money or interest on securities, sell securities or  
36 institute legal proceedings on surety bonds deposited with the  
37 Commissioner *pursuant to section 3 of this act* to the extent  
38 necessary to make those payments.

39 3. A licensed surety providing a surety bond pursuant to NRS  
40 616B.353 may terminate liability on its surety bond by giving the  
41 Commissioner and the association, association's administrator or  
42 third-party administrator 90 days' written notice. The termination  
43 does not limit liability that was incurred under the surety bond  
44 before the termination. ~~[If the association fails to requalify as an~~  
45 ~~association of self insured public or private employers on or before~~



~~1 the termination date, the association's certificate is withdrawn when  
2 the termination becomes effective.]~~

3 **Sec. 80.** NRS 616B.673 is hereby amended to read as follows:

4 616B.673 1. A person shall not operate an employee leasing  
5 company in this State unless the person has complied with the  
6 provisions of NRS 616B.670 to 616B.697, inclusive. The  
7 ~~[Administrator]~~ **Commissioner** shall issue a certificate of  
8 registration to each applicant who complies with the provisions of  
9 NRS 616B.670 to 616B.697, inclusive.

10 2. Any person who violates the provisions of subsection 1 is  
11 guilty of a misdemeanor.

12 3. Each certificate of registration issued by the ~~[Administrator]~~  
13 **Commissioner** pursuant to NRS 616B.670 to 616B.697, inclusive,  
14 expires 1 year after it is issued unless renewed before that date.

15 **Sec. 81.** NRS 616B.676 is hereby amended to read as follows:

16 616B.676 An applicant for the issuance or renewal of a  
17 certificate of registration must submit to the ~~[Administrator]~~  
18 **Commissioner** a written application upon a form provided by the  
19 ~~[Administrator.]~~ **Commissioner.**

20 **Sec. 82.** NRS 616B.679 is hereby amended to read as follows:

21 616B.679 1. Each application must include:

22 (a) The applicant's name and title of his or her position with the  
23 employee leasing company.

24 (b) The applicant's age, place of birth and social security  
25 number.

26 (c) The applicant's address.

27 (d) The business address of the employee leasing company.

28 (e) The business address of the registered agent of the employee  
29 leasing company, if the applicant is not the registered agent.

30 (f) If the applicant is a:

31 (1) Partnership, the name of the partnership and the name,  
32 address, age, social security number and title of each partner.

33 (2) Corporation, the name of the corporation and the name,  
34 address, age, social security number and title of each officer of the  
35 corporation.

36 (g) Proof of:

37 (1) Compliance with the provisions of chapter 76 of NRS.

38 (2) The payment of any premiums for industrial insurance  
39 required by chapters 616A to 617, inclusive, of NRS.

40 (3) The payment of contributions or payments in lieu of  
41 contributions required by chapter 612 of NRS.

42 (4) Insurance coverage for any benefit plan from an insurer  
43 authorized pursuant to title 57 of NRS that is offered by the  
44 employee leasing company to its employees.



1 (h) A financial statement of the applicant setting forth the  
2 financial condition of the employee leasing company. Except as  
3 otherwise provided in subsection 5, the financial statement must  
4 include, without limitation:

5 (1) For an application for issuance of a certificate of  
6 registration, the most recent audited financial statement that includes  
7 the applicant, which must have been completed not more than 13  
8 months before the date of application; or

9 (2) For an application for renewal of a certificate of  
10 registration, an audited financial statement that includes the  
11 applicant and which must have been completed not more than 180  
12 days after the end of the applicant's fiscal year.

13 (i) A registration or renewal fee of \$500.

14 (j) Any other information the ~~[Administrator]~~ *Commissioner*  
15 requires.

16 2. Each application must be notarized and signed under penalty  
17 of perjury:

18 (a) If the applicant is a sole proprietorship, by the sole  
19 proprietor.

20 (b) If the applicant is a partnership, by each partner.

21 (c) If the applicant is a corporation, by each officer of the  
22 corporation.

23 3. An applicant shall submit to the ~~[Administrator]~~  
24 *Commissioner* any change in the information required by this  
25 section within 30 days after the change occurs. The ~~[Administrator]~~  
26 *Commissioner* may revoke the certificate of registration of an  
27 employee leasing company which fails to comply with the  
28 provisions of NRS 616B.670 to 616B.697, inclusive.

29 4. If an insurer cancels an employee leasing company's policy,  
30 the insurer shall immediately notify the ~~[Administrator]~~  
31 *Commissioner* in writing. The notice must comply with the  
32 provisions of NRS 687B.310 to 687B.355, inclusive, and must be  
33 served personally on or sent by first-class mail or electronic  
34 transmission to the ~~[Administrator]~~ *Commissioner*.

35 5. A financial statement submitted with an application pursuant  
36 to this section must be prepared in accordance with generally  
37 accepted accounting principles, must be audited by an independent  
38 certified public accountant certified or licensed to practice in the  
39 jurisdiction in which the accountant is located and must be without  
40 qualification as to the status of the employee leasing company as a  
41 going concern. Except as otherwise provided in subsection 6, an  
42 employee leasing company that has not had sufficient operating  
43 history to have an audited financial statement based upon at least 12  
44 months of operating history must present financial statements  
45 reviewed by a certified public accountant covering its entire





1 operating history. The financial statements must be prepared not  
2 more than 13 months before the submission of an application and  
3 must:

4 (a) Demonstrate, in the statement, positive working capital, as  
5 defined by generally accepted accounting principles, for the period  
6 covered by the financial statements; or

7 (b) Be accompanied by a bond, irrevocable letter of credit or  
8 securities with a minimum market value equaling the maximum  
9 deficiency in working capital for the period covered by the financial  
10 statements plus \$100,000. The bond, irrevocable letter of credit or  
11 securities must be held by a depository institution designated by the  
12 ~~[Administrator]~~ *Commissioner* to secure payment by the applicant  
13 of all taxes, wages, benefits or other entitlements payable by the  
14 applicant.

15 6. An applicant required to submit a financial statement  
16 pursuant to this section may submit a consolidated or combined  
17 audited financial statement that includes, but is not exclusive to, the  
18 applicant.

19 **Sec. 83.** NRS 616B.693 is hereby amended to read as follows:

20 616B.693 1. The ~~[Administrator]~~ *Commissioner* may adopt  
21 regulations authorizing and setting forth qualifications for an  
22 assurance organization selected by an employee leasing company to  
23 act on behalf of the employee leasing company in complying with  
24 the requirements of NRS 616B.670 to 616B.697, inclusive, and any  
25 regulations adopted pursuant thereto, including, without limitation,  
26 any requirements regarding obtaining or renewing a certificate of  
27 registration. Such an assurance organization must be independent of  
28 the employee leasing company and approved by the ~~[Administrator.]~~  
29 *Commissioner*.

30 2. Nothing in this section or any regulations adopted pursuant  
31 thereto:

32 (a) Limits or otherwise affects the authority of the  
33 ~~[Administrator]~~ *Commissioner* to issue or revoke a certificate of  
34 registration of an employee leasing company subject to the appeals  
35 process;

36 (b) Limits or otherwise affects the authority of the  
37 ~~[Administrator]~~ *Commissioner* to investigate compliance with or  
38 enforce any provision of NRS 616B.670 to 616B.697, inclusive, and  
39 any regulations adopted pursuant thereto; or

40 (c) Requires an employee leasing company to authorize an  
41 assurance organization to act on its behalf.

42 3. As used in this section, "assurance organization" means a  
43 person who meets the qualifications set forth by the ~~[Administrator]~~  
44 *Commissioner* pursuant to regulations adopted pursuant to  
45 subsection 1.



1       **Sec. 84.** NRS 616B.694 is hereby amended to read as follows:  
2       616B.694 The ~~Administrator~~ *Commissioner* may adopt  
3 regulations to carry out the provisions of NRS 616B.670 to  
4 616B.697, inclusive.

5       **Sec. 85.** 1. Any administrative regulations adopted by an  
6 officer or an agency whose name has been changed or whose  
7 responsibilities have been transferred pursuant to the provisions of  
8 this act to another officer or agency remain in force until amended  
9 by the officer or agency to which the responsibility for the adoption  
10 of the regulations has been transferred.

11       2. Any contracts or other agreements entered into by an officer  
12 or agency whose name has been changed or whose responsibilities  
13 have been transferred pursuant to the provisions of this act to  
14 another officer or agency are binding upon the officer or agency to  
15 which the responsibility for the administration of the provisions of  
16 the contract or other agreement has been transferred. Such contracts  
17 and other agreements may be enforced by the officer or agency to  
18 which the responsibility for the enforcement of the provisions of the  
19 contract or other agreement has been transferred.

20       3. Any action taken by an officer or agency whose name has  
21 been changed or whose responsibilities have been transferred  
22 pursuant to the provisions of this act to another officer or agency  
23 remains in effect as if taken by the officer or agency to which the  
24 responsibility for the enforcement of such actions has been  
25 transferred.

26       4. The Legislative Counsel shall:

27       (a) In preparing the reprint and supplements to the Nevada  
28 Revised Statutes, appropriately change any references to an officer,  
29 agency or other entity whose name is changed or whose  
30 responsibilities are transferred pursuant to the provisions of this act  
31 to refer to the appropriate officer, agency or other entity.

32       (b) In preparing supplements to the Nevada Administrative  
33 Code, appropriately change any references to an officer, agency or  
34 other entity whose name is changed or whose responsibilities are  
35 transferred pursuant to the provisions of this act to refer to the  
36 appropriate officer, agency or other entity.

37       **Sec. 86.** NRS 692A.1043 and 695F.180 are hereby repealed.

38       **Sec. 87.** 1. This section and section 76 of this act become  
39 effective upon passage and approval.

40       2. Section 13 of this act becomes effective on July 1, 2021.

41       3. Sections 1 to 12, inclusive, 14 to 75, inclusive, and 77 to 86,  
42 inclusive, become effective on October 1, 2021.

43       4. Sections 47 and 48 of this act expire by limitation on the  
44 date on which the provisions of 42 U.S.C. § 666, the federal law  
45 requiring each state to establish procedures under which the state



- 1 has authority to withhold or suspend, or to restrict the use of  
2 professional, occupational and recreational licenses of persons who:  
3 (a) Have failed to comply with a subpoena or warrant relating to  
4 a proceeding to determine the paternity of a child or to establish or  
5 enforce an obligation for the support of a child; or  
6 (b) Are in arrears in the payment for the support of one or more  
7 children,  
8 ↪ are repealed by the Congress of the United States.

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**TEXT OF REPEALED SECTIONS**

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**692A.1043 Cancellation of bond: Notices required; revocation of license unless equivalent bond or substitute form of security furnished.**

1. The surety may cancel a bond upon giving 60 days' notice to the Commissioner by certified mail. Upon receipt by the Commissioner of such a notice, the Commissioner immediately shall notify the title agent or title insurer who is the principal on the bond of the effective date of cancellation of the bond, and that the license or certificate of authority of the title agent or title insurer will be revoked unless the title agent or title insurer furnishes an equivalent bond or a substitute form of security authorized by NRS 692A.1042 before the effective date of the cancellation. The notice must be sent to the title agent or title insurer by certified mail to his or her last address of record filed in the office of the Division.

2. If the title agent or title insurer does not comply with the requirements set out in the notice from the Commissioner, the license or certificate of authority of the title agent or title insurer must be revoked on the date the bond is cancelled.

**695F.180 Investments.** The money of the prepaid limited health service organization must be invested in accordance with the guidelines established by the National Association of Insurance Commissioners for investments by health maintenance organizations.



