

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS INFORMATIONAL STATEMENT AS REQUIRED BY NRS 233B.066

LCB FILE NO. R132-24

The following statement is submitted by the State of Nevada, Department of Business and Industry, Division of Insurance (“Division”) for adopted amendments to Nevada Administrative Code (“NAC”) Chapter(s) 679B, 680B, 685A, 686B, 687B, 690B, 691D, 694C, and 695C.

1. A clear and concise explanation of the need for the adopted regulation.

On June 30, 2023, Governor Lombardo issued Executive Order 2023-008 causing all agencies subject to Executive Orders 2023-003 and/or 2023-004 to begin the process of “repealing, streamlining, clarifying, reducing, or otherwise improving” regulations previously identified by the agencies. The Division is subject to Executive Order 2023-003, and this regulation repeals and simplifies the items identified in response to that Executive Order along with additional provisions later identified as eligible for repeal or simplification.

2. A description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

(a) A description of how public comment was solicited:

Public comment was solicited by emailing the proposed regulation, notice of workshop, notice of intent to act upon the regulation, and small business impact statement to persons on the Division’s mailing list requesting notification of proposed regulations. The documents were also made available on the website of the Division, <http://doi.nv.gov/>, the website of the Nevada Legislature, <http://www.leg.state.nv.us>, and the Nevada Public Notice website, <http://www.notices.nv.gov>. The documents were also emailed, or mailed where no email address was available, to the main library for each county in Nevada.

Public comment was also solicited at the workshop held on July 18, 2024, and at the hearing held on November 12, 2024. The public workshop and hearing took place virtually via Webex and in person at the Division’s offices located at 1818 E. College Pkwy, Carson City, Nevada 89706 and 3300 W. Sahara Ave., Las Vegas, Nevada 89102.

(b) A summary of the public response:

Asurion, a registered seller of portable electronics insurance, provided written and oral comments requesting an amendment to the regulation. The requested amendment consisted of two parts:

1. That NAC 691D.300 be removed from the list of regulations to be repealed; and
2. That NAC 691D.300 be amended to delete the phrase “in writing” from paragraph 2 of section 1, subsection (a) and from section 1, subsection (b).

In conversation with Asurion’s representative after the adoption hearing it was clarified

that if the Division could not accommodate the request that the Division at least consider removing NAC 691D.300 from the list of regulations to be repealed.

(c) An explanation of how other interested persons may obtain a copy of the summary:

The summary in part 2(b) above reflects the public comments and testimony that transpired with regard to regulation R132-24. A copy of said summary may be obtained by contacting regs@doi.nv.gov.

3. The number of persons who:

- (a) Attended the hearing: 15
- (b) Testified at the hearing: 1
- (c) Submitted to the agency written statements: 1

4. A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in parts 3(b) and (c), as provided to the agency:

Testified at the hearing:

| Name | Entity/Organization Represented | Business Address | Telephone No./ Business Telephone No. | E-Mail Address |
|--|---------------------------------|--|---------------------------------------|--------------------------------|
| Jesse Wadhams, Esq. of Black & Wadhams | Asurion, LLC | 300 S. Curry St., #5&6 Carson City, NV 89701 | (702) 869-8801 | jessewadhams@blac kwadhams.law |

Submitted to the agency written statements:

| Name | Entity/Organization Represented | Business Address | Telephone No./ Business Telephone No. | E-Mail Address |
|--|---------------------------------|--|---------------------------------------|--------------------------------|
| Jesse Wadhams, Esq. of Black & Wadhams | Asurion, LLC | 300 S. Curry St., #5&6 Carson City, NV 89701 | (702) 869-8801 | jessewadhams@blac kwadhams.law |

5. A description of how comments were solicited from affected businesses, a summary of their responses, and an explanation of how other interested persons may obtain a copy of the summary.

(a) A description of how comments were solicited from affected businesses:

Comments were solicited from affected businesses in the same manner as they were solicited from the public. Please see the description provided above in response to part 2(a).

(b) A summary of the responses from affected businesses:

Asurion, a registered seller of portable electronics insurance, provided written and oral comments requesting an amendment to the regulation. The requested amendment consisted of two parts:

1. That NAC 691D.300 be removed from the list of regulations to be repealed; and
2. That NAC 691D.300 be amended to delete the phrase “in writing” from paragraph 2 of section 1, subsection (a) and from section 1, subsection (b).

In conversation with Asurion’s representative after the adoption hearing it was clarified that if the Division could not accommodate the request that the Division at least consider removing NAC 691D.300 from the list of regulations to be repealed.

(c) An explanation of how other interested persons may obtain a copy of the summary:

The summary in part 5(b) above reflects the public comments and testimony that transpired with regard to regulation R132-24. A copy of said summary may be obtained by email request to regs@doi.nv.gov.

6. If after consideration of public comments, the regulation was adopted without changing any part of the proposed regulation, provide a summary of the reasons for adopting the regulation without change.

After consideration of public comments, the Division elected to accept Asurion’s request to remove NAC 691D.300 from the list of regulations to be repealed. The Division believed that repealing NAC 691D.300 would ease the administrative burden for sellers of portable electronics insurance. After discussion with the Asurion representative, Division staff better understood that repealing NAC 691D.300 would cause sellers of portable electronics insurance to default to regulation under more onerous requirements under Title 57.

7. (a) The estimated economic effect of the adopted regulation on the business which it is to regulate:

- (1) Both adverse and beneficial effects:
 - i. Beneficial: The Division anticipates minor beneficial effects through the repeal of certain unnecessary reporting requirements.
 - ii. Adverse: The Division does not anticipate any adverse effects.

- (2) Both immediate and long-term effects:
 - i. Immediate: The Division anticipates few immediate effects. The clarifications and adjustments contained in the regulation are not major and will take time to accrue benefit to the insurance industry.

- ii. Long-Term: The Division anticipates most beneficial effects to be long-term. Each repealed reporting requirement is itself viewed as minor but in the aggregate the cumulative benefits will accrue in the long term.

(b) The estimated economic effect of the adopted regulation on the public:

(1) Both adverse and beneficial effects:

- i. Beneficial: The Division anticipates little economic effect, beneficial or adverse, on the public.
- ii. Adverse: The Division anticipates little economic effect, beneficial or adverse, on the public.

(2) Both immediate and long-term effects:

- i. Immediate: Immediate economic impact to the public is anticipated to be negligible. If economic benefits are recognized by eliminating extraneous reporting requirements, they are likely to take time to accumulate to any degree to be beneficial to the public.
- ii. Long-Term: Long-term economic impact to the public is anticipated to be negligible. The reports being proposed for repeal are not overly burdensome and repeal will offer some administrative benefit, but the Division does not anticipate it to be significant.

8. The estimated cost to the agency for enforcement of the adopted regulation.

The Division does not anticipate any cost associated with enforcement of the adopted regulation.

9. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

Not applicable

10. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of those provisions.

Not applicable

11. If the regulation establishes a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

Not applicable