

LCB File No. 111-98

NOTICE OF INTENT TO ACT UPON REGULATIONS

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

The Department of Business and Industry, Division of Insurance (Division) will hold a public hearing at 10:00 a.m., on October 7, 1998, at the offices of the Division, 1665 Hot Springs Road, Suite 152, Carson City, Nevada. The purpose of the hearing is to receive comments from all interested persons regarding the amendment of regulations pertaining to chapter 616B of the Nevada Administrative Code.

REGULATIONS FOR THE BASIC POLICY USED BY PRIVATE CARRIERS AND THE QUALIFICATION OF GROUPS FOR INDUSTRIAL INSURANCE

The following information is provided pursuant to the requirements of NRS 233B.060:

1. The proposed regulation is required pursuant to NRS 616B.030 and 616B.036 to establish the form of the basic policy to be used for private carriers writing industrial insurance in Nevada and to establish the standards for providing industrial insurance to groups of employers.
2. The regulation requires all private carriers to use the policy filed by the advisory organization and approved by the commissioner, and allows groups to purchase industrial insurance if they have filed certain information with the commissioner.
3. Estimated economic effect of the regulation:
On the business which it is to regulate:
 - (a) The amendments should have little impact on the industry as most insurers are using standard forms in other jurisdictions.
 - (b) The amendments should have little, if any, immediate or long-term impact on the insurance industry.On the public:

The amended regulation should have no economic impact on the public.
3. The Division anticipates a nominal expense to enforce the proposed regulation.
4. The Division is not aware of any overlap or duplication of the regulation with any state, local or federal regulation.
5. The proposed regulation does not establish any new fees.

Persons wishing to comment upon the proposed action of the Division may appear at

the scheduled public hearing or may address their comments, data, views or arguments, in written form, to the Division, 1665 Hot Springs Road, Suite 152, Carson City, Nevada 89706. Written submissions must be received by the Division on or before October 1, 1998. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

A copy of this notice and the proposed regulation will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be amended will be available at the offices of the Division, 1665 Hot Springs Road, Suite 152, Carson City, Nevada 89706, and 2501 East Sahara Avenue, Suite 302, Las Vegas, Nevada 89104, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653 and on the Internet at <http://www.leg.state.nv.us>. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at the following locations:

Department of Business and Industry
Division of Insurance
1665 Hot Springs Road, Suite 152
Carson City, NV 89706

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

Legislative Counsel Bureau
Capitol Complex
Carson City, NV 89710

Blasdel Building
Capitol Complex
Carson City, NV 89710

State Capitol
Capitol Complex
Carson City, NV 89710

Capitol Press Room
State Capitol Basement
Carson City, NV 89710

County Clerk
Courthouse
Carson City, NV 89710

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

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

Churchill County Library
553 South Maine Street
Fallon, NV 89406

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

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

Elko County Library
720 Court Street
Elko, NV 89801

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

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

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

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

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

Lyon County Library
20 Nevin Way
Yerington, NV 89447

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

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

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

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

Washoe County Library
301 South Center Street
P.O. Box 2151
Reno, NV 89505

White Pine County Library
950 Campton Street
Ely, NV 89301

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

Members of the public who are disabled and require special accommodations or assistance at the hearing are requested to notify the Commissioner's secretary in writing at 1665 Hot Springs Road, Suite 152, Carson City, Nevada 89706, or by calling no later than 5 working days prior to the hearing, (702) 687-4270.

DATED this _____ day of September, 1998.

ALICE A. MOLASKY-ARMAN
Commissioner of Insurance

PROPOSED REGULATION OF THE DIVISION OF INSURANCE

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE

REGULATION CONCERNING BASIC POLICY USED BY PRIVATE CARRIERS
AND THE QUALIFICATION OF GROUPS OF EMPLOYERS
FOR INDUSTRIAL INSURANCE

Authority: NRS 616B.030 AND 616B.036

Section 1. Chapter 616B of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this regulation.

Sec. 2. Except as provided in subsection 3, an insurer shall file all forms of policies for industrial insurance and all changes and amendments thereof with the commissioner not less than 60 days prior to their use.

Sec. 3. An insurer may modify and use any forms filed by the advisory organization and approved by the commissioner without making a separate filing if:

(a) the modifications are limited to inclusion of company name or logo, or formatting such as changes in font size or type; and

(b) the use of the forms is consistent with the applicable rules filed by the advisory organization and approved by the commissioner.

Sec. 4. 1. Each private carrier shall use the basic policy of industrial insurance filed by the advisory organization and approved by the commissioner.

2. The basic policy of industrial insurance must comply with the provisions of NRS

616B.030.

Sec. 5. The system or a private carrier may provide industrial insurance to an organization or association of employers as a group pursuant to NRS 616B.036 if:

1. The group files with the commissioner or his designated authority:

(a) A copy of its articles of incorporation and bylaws or its agreement of association;

(b) The rules and regulations governing the conduct of its business; and

(c) A statement in writing undertaking to establish and maintain a safety committee which by implementation of a loss control program, education and otherwise, will seek to reduce the incidence and severity of accidents.

The items filed pursuant to subparagraphs (a) and (b) of this subsection must be certified by the custodian of the originals thereof.

2. The group complies with the provisions of subsection 1 of NRS 616B.036.

Sec. 6. The system or a private carrier may combine for dividend purposes the experience of a group of employers covered for industrial insurance by the system or a private carrier.