
SENATE BILL NO. 131—SENATOR COFFIN

FEBRUARY 13, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Requires certain insurers to disclose coverage for control of mold in property insurance policies and to offer coverage for control of mold. (BDR 57-221)

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

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

AN ACT relating to insurance; requiring insurers offering property insurance to obtain a disclosure statement setting forth the coverage for the control of mold included in the policy; defining certain terms relating to insurance coverage for the control of mold; requiring insurers offering property insurance to offer certain levels of coverage for the control of mold; providing a penalty; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 687B of NRS is hereby amended by adding
2 thereto a new section to read as follows:
3 1. *An insurer offering property insurance to a person shall*
4 *obtain a signed disclosure statement from the person indicating*
5 *the extent of coverage for the control of mold included under the*
6 *policy and the terms and conditions governing the coverage for*
7 *the control of mold.*
8 2. *The disclosure statement must be approved by the*
9 *Commissioner before use by an insurer.*
10 3. *As use in this section, “control of mold” has the meaning*
11 *ascribed to it in section 4 of this act.*



1 **Sec. 2.** Chapter 691A of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 3 to 12, inclusive, of this
3 act.

4 **Sec. 3.** *As used in sections 3 to 12, inclusive, of this act,*
5 *unless the context otherwise requires, the words and terms defined*
6 *in sections 4 to 9, inclusive, of this act have the meanings ascribed*
7 *to them in those sections.*

8 **Sec. 4.** *“Control of mold” includes, without limitation:*

- 9 1. *Inspection for mold;*
- 10 2. *Testing for mold; and*
- 11 3. *Remediation of mold.*

12 **Sec. 5.** *“Complete coverage for the control of mold”*
13 *includes, without limitation, payment for all costs related to the*
14 *control of mold, including, without limitation:*

- 15 1. *All costs related to the inspection for mold;*
- 16 2. *All costs related to the testing for mold;*
- 17 3. *All costs related to the remediation of mold; and*
- 18 4. *Any incidental costs.*

19 **Sec. 6.** *“Inspection for mold” includes, without limitation:*

- 20 1. *Inspection by the sense of sight for the presence of mold;*
 - 21 2. *Inspection by the sense of smell for the presence of mold;*
- 22 *and*

23 3. *Any other type of inspection for the purpose of making a*
24 *determination of the presence of mold.*

25 **Sec. 7.** *“Mold” means any form of multicellular fungi that*
26 *live on plant or animal matter and in indoor environments. Types*
27 *of mold include, without limitation, Cladosporium, Penicillium,*
28 *Alternaria, Aspergillus, Fusarium, Trichoderma, Memmoniella,*
29 *Mucor and Stachybotrys chartarum.*

30 **Sec. 8.** *“Remediation of mold” includes, without limitation:*

- 31 1. *The enclosure or removal of mold or material containing*
32 *mold from a building or structure, including, without limitation,*
33 *any associated mechanical systems inside or outside the building*
34 *or structure;*
- 35 2. *The abatement of the danger posed to human beings by the*
36 *presence of mold or material containing mold in a building or*
37 *structure, including, without limitation, any associated*
38 *mechanical systems inside or outside the building or structure;*
- 39 3. *The repair, renovation or demolition of a building or*
40 *structure containing mold or material containing mold; or*
- 41 4. *Any activity connected with the enclosure, removal,*
42 *abatement, repair, renovation or demolition of a building or*
43 *structure containing mold or material containing mold.*

44 **Sec. 9.** *“Testing for mold” includes, without limitation:*

- 45 1. *The sampling of surfaces for mold;*



- 1 2. *The monitoring of air for mold;*
2 3. *Analysis by a laboratory or other appropriate facility to*
3 *determine the presence of mold; and*
4 4. *Any other type of testing for mold.*
- 5 **Sec. 10.** *1. An insurer offering property insurance to a*
6 *person shall offer to the person complete coverage for the control*
7 *of mold.*
8 2. *The rates for complete coverage for the control of mold are*
9 *subject to the provisions of chapter 686B of NRS.*
- 10 **Sec. 11.** *1. The Commissioner shall establish one or more*
11 *levels of coverage for the control of mold that are less complete*
12 *than the complete coverage for the control of mold required*
13 *pursuant to section 10 of this act.*
14 2. *In addition to offering complete coverage for the control of*
15 *mold pursuant to section 10 of this act, an insurer offering*
16 *property insurance to a person shall offer to the person coverage*
17 *for the control of mold at the levels of coverage established by the*
18 *Commissioner.*
19 3. *The rates for the levels of coverage for the control of mold*
20 *established by the Commissioner are subject to the provisions of*
21 *chapter 686B of NRS.*
- 22 **Sec. 12.** *The Commissioner shall adopt such regulations as*
23 *are necessary to carry out the provisions of sections 3 to 12,*
24 *inclusive, of this act.*

