

ASSEMBLY BILL NO. 347—ASSEMBLYMAN PARKS

MARCH 13, 2001

Referred to Committee on Commerce and Labor

SUMMARY—Clarifies authority of captive insurer to provide industrial insurance and authorizes participation in Nevada insurance guaranty association. (BDR 53-999)

FISCAL NOTE: Effect on Local Government: No.
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 industrial insurance; clarifying the authority of a captive insurer to provide industrial insurance; authorizing a captive insurer to participate in the Nevada insurance guaranty association for industrial insurance; 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.** NRS 616B.463 is hereby amended to read as follows:
2 616B.463 1. Before a private carrier may provide industrial
3 insurance pursuant to chapters 616A to 617, inclusive, of NRS, the private
4 carrier must be ~~authorized~~ :
5 ***(a) Authorized*** by the commissioner pursuant to chapter 680A of NRS
6 and maintain such security of the kind described in NRS 680A.120 and
7 680A.140 as may be required ~~+~~ ; ***or***
8 ***(b) Licensed as a captive insurer pursuant to chapter 694C of NRS.***
9 2. A private carrier shall not provide industrial insurance pursuant to
10 chapters 616A to 617, inclusive, of NRS as an unauthorized insurer
11 pursuant to subsection 9 of NRS 680A.070.
12 3. A private carrier that is authorized by the commissioner to provide
13 industrial insurance pursuant to ***paragraph (a) of*** subsection 1:
14 (a) Constitutes an authorized insurer, as that term is defined in NRS
15 679A.030; and
16 (b) Is subject to the provisions of Title 57 of NRS that govern
17 authorized insurers.
18 **Sec. 2.** NRS 694C.380 is hereby amended to read as follows:
19 694C.380 1. ***Except as otherwise provided in subsection 2:***



1 ~~(a)~~ A captive insurer shall not join or contribute financially to any risk-
2 sharing plan, risk pool or insurance insolvency guaranty fund in this state

3 ~~†~~; and

4 (b) A captive insurer or its insured, its parent or an affiliated company,
5 or any member organization of its association shall not receive any benefit
6 from such a plan, pool or fund for claims arising out of the operations of
7 the captive insurer.

8 2. *A captive insurer that provides industrial insurance pursuant to*
9 *chapters 616A to 617, inclusive, of NRS, may join and contribute*
10 *financially and participate fully in the Nevada insurance guaranty*
11 *association for the industrial insurance the captive insurer provides.*

