

SENATE BILL NO. 61—COMMITTEE ON COMMERCE AND LABOR

FEBRUARY 16, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to sale of credit insurance by motor vehicle dealers and their employees. (BDR 57-435)

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 insurance; exempting employees of certain motor vehicle dealers from having to be licensed to solicit and sell credit insurance under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, any person who sells, solicits or negotiates insurance in this
2 State must be licensed by the Commissioner of Insurance. (NRS 683A.201)
3 Existing law exempts certain persons from the licensing requirement. (NRS
4 683A.211, 683A.221) In particular, an employee of a short-term lessor of passenger
5 vehicles is permitted to sell, without a license, certain types of insurance to
6 customers if his employer is licensed to sell such insurance by the Commissioner
7 and the employee is acting on behalf of, and under the supervision of, his employer
8 when selling such insurance. (NRS 683A.221)
9 This bill permits an employee of a motor vehicle dealer to sell, without a
10 license, certain types of credit insurance to customers if his employer is licensed to
11 sell such credit insurance by the Commissioner and the employee is acting on
12 behalf of, and under the supervision of, his employer when selling such credit
13 insurance.

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

1 **Section 1.** NRS 683A.221 is hereby amended to read as
2 follows:
3 683A.221 **1.** If a short-term lessor of passenger vehicles
4 licensed pursuant to NRS 482.363 holds a limited license as a



1 producer of insurance issued pursuant to NRS 683A.271, an
2 employee of the short-term lessor may engage in the solicitation and
3 sale of insurance requested by a lessee pursuant to NRS 482.3158 ,
4 without a license issued pursuant to this chapter , if the solicitation
5 and sale of such insurance is done on behalf of, and under the
6 supervision of, the short-term lessor.

7 ***2. If a motor vehicle dealer licensed pursuant to NRS 482.322***
8 ***holds a license as a producer of insurance issued pursuant to NRS***
9 ***683A.261, an employee of the motor vehicle dealer may engage in***
10 ***the solicitation and sale of credit insurance to the customers of the***
11 ***motor vehicle dealer, without a license issued pursuant to this***
12 ***chapter, if the solicitation and sale of such credit insurance is***
13 ***done on behalf of, and under the supervision of, the motor vehicle***
14 ***dealer. As used in this subsection, "credit insurance" has the***
15 ***meaning ascribed to it in NRS 690A.015 and includes all types of***
16 ***credit insurance described in NRS 683A.261 that a motor vehicle***
17 ***dealer holding a license as a producer of insurance may offer to***
18 ***his customers.***

