

SENATE BILL NO. 62—COMMITTEE ON
COMMERCE, LABOR AND ENERGY

(ON BEHALF OF THE DIVISION OF INSURANCE)

PREFILED DECEMBER 15, 2010

Referred to Committee on Education

SUMMARY—Prohibits the establishment in certain locations of certain schools and facilities relating to insurance. (BDR 57-474)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
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; prohibiting a school which provides prelicensing education from being established within a certain distance from certain other locations; prohibiting a facility for an examination for a license from being established within a certain distance from certain other locations; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires the Commissioner of Insurance to develop and conduct
2 examinations for licenses related to insurance. (NRS 683A.241, 683C.030,
3 684A.100, 685A.120, 697.200) The Commissioner may also contract with a person
4 outside of the Division of Insurance of the Department of Business and Industry to
5 conduct such examinations. (NRS 679B.090, 683A.241) Further, existing law
6 provides that every violation of a statute governing insurance is a misdemeanor
7 unless otherwise provided. (NRS 679A.180) **Section 1** of this bill prohibits a school
8 which provides prelicensing education and a facility for an examination for a
9 license relating to insurance from being established within 200 feet of each other or
10 an office of the Division. **Section 1** also authorizes the Commissioner to enforce
11 this prohibition by imposing certain penalties for violations of this prohibition.
12 **Section 2** of this bill exempts existing schools and facilities from this prohibition if
13 they have continuously operated in the same location since July 1, 2011.



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

Section 1. Chapter 683A of NRS is hereby amended by adding thereto a new section to read as follows:

1. A school which provides preclicensing education must not be established within 200 feet of:

- (a) An existing facility for an examination for a license; or*
- (b) An existing office of the Division.*

2. A facility for an examination for a license must not be established within 200 feet of:

- (a) An existing school which provides preclicensing education;*
- or*
- (b) An existing office of the Division.*

3. If a school which provides preclicensing education is established in violation of subsection 1, the Commissioner may:

- (a) Suspend, revoke or refuse to renew the approval of the course of instruction at the school;*
- (b) Deny a request to approve a course of instruction at the school; and*
- (c) Impose an administrative fine of not more than \$1,000 upon the person who operates the school for each violation of subsection 1.*

4. If a facility for an examination for a license is established in violation of subsection 2, the Commissioner may immediately terminate the contract into which the Commissioner entered with the person who operates the facility.

5. As used in this section:

(a) "Facility for an examination for a license" means a facility:

(1) At which is administered an examination for a license issued pursuant to title 57 of NRS for a line of insurance; and

(2) Which is operated by a person with whom the Commissioner has entered into a contract to administer an examination described in subparagraph (1).

(b) "School which provides preclicensing education" means a school at which an instructor approved by the Commissioner offers a course of instruction approved by the Commissioner to an applicant for a license issued pursuant to title 57 of NRS for a line of insurance.

Sec. 2. 1. The provisions of section 1 of this act do not apply to a school which provides preclicensing education or a facility for an examination for a license if the school or facility:

- (a) Was established on or before July 1, 2011; and



- 1 (b) Has been continuously operated at its present location on and
2 after July 1, 2011.
- 3 2. As used in this section:
- 4 (a) “Facility for an examination for a license” has the meaning
5 ascribed to it in section 1 of this act.
- 6 (b) “School which provides prelicensing education” has the
7 meaning ascribed to it in section 1 of this act.
- 8 **Sec. 3.** This act becomes effective on July 1, 2011.

