2025 Session (83rd) A AB376 797

Amendment No. 797

Assembly Amendment to Assembly Bill No. 376 (BDR 57-1009)

Proposed by: Assembly Committee on Ways and Means

Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION		Initial and Date	SENATE ACTION		Initial and Date
Adopted ☐	Lost ☐		Adopted ☐	Lost ☐	
Concurred In ☐	Not ☐		Concurred In ☐	Not ☐	
Receded ☐	Not ☐		Receded ☐	Not ☐	

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

SJQ/BAW Date: 5/26/2025

A.B. No. 376—Revises provisions relating to insurance. (BDR 57-1009)

ASSEMBLY BILL NO. 376–ASSEMBLYMEMBERS O'NEILL, GRAY, DICKMAN, DELONG; AND GALLANT

MARCH 10, 2025

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to insurance. (BDR 57-1009)

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

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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 the Commissioner of Insurance to establish and administer the Regulatory Experimentation Program for Insurance Product Innovation; setting forth requirements for the operation of the Program; authorizing [an insurer to implement] **certain property insurers to file** a proposed increase in a rate for certain [kinds and] lines of insurance [while the proposal is pending approval or disapproval by the Commissioner; setting forth certain requirements applicable in the event that such a proposal is ultimately disapproved;] **through a program of flex-rated filing; revising requirements relating to insurance coverage for the peril of wildfire; revising certain requirements for reciprocal insurers; revising provisions relating to captive insurers; revising requirements relating to insurance coverage for common-interest communities;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Commissioner of Insurance to regulate insurance in this State and enforce the provisions of the Nevada Insurance Code. (NRS 679B.120) **Section 9** of this bill requires the Commissioner to establish and administer the Regulatory Experimentation Program for Insurance Product Innovation, which is a 4-year program to enable an authorized insurer who offers at least one insurance product **that provides property insurance coverage for real or personal property located** in this State outside of the Program to test a qualified insurance product in this State without [obtaining any authorization or] complying with [any of the] **certain** provisions of the Nevada Insurance Code or [the] **certain** regulations adopted pursuant thereto that would otherwise be required outside of the Program. **Section 7** of this bill defines "qualified insurance product" to mean an insurance product that provides **property insurance** coverage for real **or personal** property located in this State**.** [that is valued at $250,000 or more.]

Section 12 of this bill sets forth the process by which an authorized insurer may apply to participate in the Program. **Section 12 requires the application of the applicant to include, among other information, an explanation of any exemption from the provisions of the Nevada Insurance Code or the regulations adopted pursuant thereto that the applicant is requesting.** **Section 13** of this bill requires the Commissioner to approve or deny an

application within 90 days after the completed application is received. **Section 14** of this bill requires the Commissioner to provide written notice of the approval or denial of an application**.** ~~[and authorizes an applicant to appeal a denial of an application to the Director of the Department of Business and Industry.]~~ Under **section 15** of this bill, if an application is approved, the qualified insurance product offered or provided through the Program, with certain exceptions, is exempt from the provisions of the Nevada Insurance Code and ~~[any]~~ **the** regulations adopted pursuant thereto ~~[.]~~ **for which an exemption was requested in the application to participate in the Program. Section 15 also limits the period of testing for a qualified insurance product under the Program to 36 months, with one extension of not more than 12 months if approved by the Commissioner.**

Section 10 of this bill requires the Commissioner to adopt ~~[regulations establishing protections for consumers of qualified insurance products provided through the Program and authorizes the Commissioner to adopt any other]~~ regulations to carry out the Program.

Section 11 of this bill requires certain disclosures to be provided before providing a consumer a qualified insurance product through the Program.

Section 16 of this bill sets forth certain requirements relating to the retention of records and reporting by a participant in the Program. **Sections 17 and 26** of this bill set forth certain requirements concerning the confidentiality and disclosure of records relating to the Program.

Section 18 of this bill requires the Commissioner to submit a report to the Legislature concerning the Program on or before January 1, 2029.

Sections 19 and 20 of this bill authorize the Commissioner to take certain actions against a participant in the Program who commits certain violations or engages in any act or omission that the Commissioner determines is inconsistent with the health, safety or welfare of consumers or the public generally.

Sections 3-8 of this bill define certain words and terms relating to the Program.

Under existing law, with certain exceptions, insurers and certain rate service organizations are required to file with the Commissioner all rates and proposed increases thereto, as well as the forms of policies to which the rates apply, supplementary rate information and any changes or amendments to the rates. Existing law requires that such a filing be filed not less than 30 days before the proposed effective date of the filing, with certain exceptions. (NRS 686B.070) Existing law sets forth procedures by which the Commissioner is required to approve or disapprove a proposed increase or decrease in a rate for any kind or line of insurance, other than certain health plans. (NRS 686B.110) ~~[Sections 21-25 of this bill revise those provisions to allow an insurer to implement a proposed increase or decrease in certain rates while the process for the approval or disapproval proceeds.~~

~~Section 21 requires a filing for a proposed increase or decrease in a rate for any kind or line of insurance for which the filing of rates is required, other than certain health plans, to be filed on or before the proposed effective date included in the filing. Section 21 authorizes an insurer to implement such a proposed increase or decrease while the proposal is pending approval or disapproval by the Commissioner.~~

~~Section 23 provides that if the Commissioner disapproves such a proposed increase or decrease and the insurer has implemented the proposed increase or decrease, the Commissioner is required to issue a written order that includes, among other things, the date on which the disapproved increased or decreased rate must no longer be used for the issuance of new policies or contracts or the renewal of existing policies or contracts. Under section 23, the order does not affect any policy or contract made before the effective date of the order, except that the Commissioner is authorized to require that the premiums be adjusted after the effective date of the order for those policies or contracts in effect on the effective date of the order.~~

~~Under existing law, if a filing for a proposed increase in a rate is not accompanied by certain information, the Commissioner is authorized to inform the insurer and the filing is deemed to be made when the information is furnished. (NRS 686B.100) Section 22 deems a filing for a proposed increase in a rate for any kind or line of insurance, other than certain health plans, for the purpose of implementing the proposed increase pending the approval or disapproval of the Commissioner to be filed on the date on which it is filed with the Commissioner, regardless of whether the filing is accompanied by such information. Similarly, existing law provides that if the Commissioner determines that a proposal to increase or decrease a rate is incomplete, the Commissioner must notify the insurer or rate service organization of that determination and, if the insurer does not provide the necessary~~

~~documents or other information within 30 days after the receipt of that notice, the Commissioner is authorized to disapprove the proposal. (NRS 686B.110) Section 23 provides that a determination that a proposal to increase or decrease a rate for any kind or line of insurance, other than certain health plans, is incomplete does not prohibit an insurer from implementing the proposed increase or decrease pending approval or disapproval.~~

Sections ~~[24 and 25 make conforming changes to refer to provisions that have been renumbered by section]~~ **20.3 and 21** ~~[,]~~ **of this bill provide an alternative method by which certain insurers may make a filing for a proposed increase in a rate for certain types of insurance. Section 20.3 requires the Commissioner to establish a program of flex-rated filing to allow an insurer that issues certain lines of property insurance to make a filing for that line of insurance if the proposed increase does not exceed certain thresholds established by the Commissioner and certain other requirements are met. Section 20.3 sets forth certain requirements for making a filing for a proposed increase in a rate to qualify to be filed under the program of flex-rated filing. If the Commissioner finds, within 15 days after the filing is made, that the filing fails to meet such requirements, section 20.3 authorizes the Commissioner to treat the filing in the same manner as other proposed increases in a rate filed outside the program of flex-rated filing. If the Commissioner does not make such a determination within that time, the filing is deemed to be approved. Section 20.5 of this bill applies the definitions set forth under existing law governing rate filings to the provisions of section 20.3. Section 20.7 of this bill excludes property insurance for business and commercial risks from the provisions of section 20.3.**

Section 25.1 of this bill authorizes an insurer that issues a policy of property insurance to exclude the peril of wildfire from the coverage provided under the policy. Section 25.1 additionally authorizes an insurer to issue a policy of property insurance that solely covers the peril of wildfire.

Existing law sets forth various requirements and restrictions for the operation of a reciprocal insurer. (Chapter 694B of NRS) Existing law sets forth certain rules that the Commissioner is required to apply in determining the financial condition of a reciprocal insurer, including rules concerning the computation of reserves. (NRS 694B.150) Section 25.3 of this bill revises those rules concerning reserves to require instead that the reserves of a reciprocal insurer be maintained as required by section 25.2 of this bill. Section 25.2 requires a reciprocal insurer at all times to maintain an unearned premium reserve in a certain amount and sets forth the manner in which that amount must be calculated. If, at any time, the amount of the unearned premium reserve maintained by a reciprocal insurer is less than $100,000, section 25.2 requires the reciprocal insurer to maintain cash or securities acceptable to the Commissioner in an amount that, when added to the amount of the unearned premium reserve maintained, equals not less than $100,000.

Existing law provides for the licensure and regulation of captive insurers. (Chapter 694C of NRS) Section 25.5 of this bill removes provisions prohibiting a captive insurer from directly providing homeowners' insurance coverage. Section 25.5 authorizes an association captive insurer to insure the risks of individual homeowners who combine into an association for the purpose of procuring homeowners' insurance or the risks of individual units' owners in a common-interest community so long as the association captive insurer is owned by the association created by the homeowners or the unit-owners' association, as applicable. Sections 25.4 and 25.5 of this bill authorize a sponsored captive insurer to insure the risks of individual homeowners who elect to become a participant of a protected cell of a sponsored captive insurer.

Existing law requires a unit-owners' association in a common-interest community to maintain certain insurance coverage, including property insurance on the common elements of the community. (NRS 116.3113) Section 25.6 of this bill removes provisions which require such property insurance for buildings with units divided by certain boundaries to include the units to the extent reasonably available. Section 25.7 of this bill makes a conforming change to eliminate a reference to provisions removed in section 25.6.

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

Section 1. Chapter 679B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 20, inclusive, of this act.

Sec. 2. *As used in sections 2 to 20, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Consumer" means any person who purchases a qualified insurance product.*

Sec. 4. ~~*["Director" means the Director of the Department of Business and Industry.]*~~ **(Deleted by amendment.)**

Sec. 5. *"Participant" means an authorized insurer whose application to participate in the Program has been approved by the Commissioner pursuant to section 14 of this act.*

Sec. 6. *"Program" means the Regulatory Experimentation Program for Insurance Product Innovation established and administered by the Commissioner pursuant to sections 2 to 20, inclusive, of this act.*

Sec. 7. *"Qualified insurance product" means an insurance product that provides property insurance coverage for real or personal property located in this State, including, without limitation, any residential or commercial property . ~~[, that is valued at $250,000 or more.]~~*

Sec. 8. *"Test" means to offer or provide a qualified insurance product through the Program.*

Sec. 9. *The Commissioner shall establish and administer the Regulatory Experimentation Program for Insurance Product Innovation to enable an authorized insurer who offers at least one insurance product that provides property insurance coverage for real or personal property located in this State outside of the Program to test a qualified insurance product in this State , identified in an application to participate in the Program pursuant to section 12 of this act, without ~~[:~~*

~~*1. Obtaining authorization otherwise required by this title or any regulations adopted pursuant thereto to provide the qualified insurance product in this State; or*~~

~~*2. Otherwise]*~~ *complying with any provision of this title or any regulation adopted pursuant thereto ~~[,]~~ except as otherwise required by the Commissioner pursuant to section 15 or 20 of this act.*

Sec. 10. ~~*[1.]*~~ *The Commissioner shall adopt ~~[regulations that establish protections for consumers of qualified insurance products provided through the Program.~~*

~~*2. The Commissioner may adopt]*~~ *such ~~[other]~~ regulations as he or she deems necessary to carry out the provisions of sections 2 to 20, inclusive, of this act.*

Sec. 11. *1. Before providing any qualified insurance product to a consumer, a participant or a producer of insurance providing the qualified insurance product shall disclose to the consumer:*

(a) The name and contact information of the participant;

(b) The registration number applicable to the qualified insurance product, as issued by the Commissioner pursuant to section 15 of this act;

(c) The fact that the qualified insurance product ~~[is generally]~~ may be exempt from ~~[any provision]~~ certain provisions of this title and ~~[any regulation]~~

certain regulations adopted pursuant thereto, except as otherwise required by the Commissioner pursuant to section 15 or 20 of this act;

(d) The fact that the participant has been approved to provide the qualified insurance product pursuant to sections 2 to 20, inclusive, of this act but that the qualified insurance product is not endorsed or recommended by the Commissioner or any governmental agency; and

(e) The fact that the qualified insurance product is provided as part of a test and may be discontinued at or before the end of the test, with the date on which the test is expected to end.

2. The Commissioner may condition approval of an application to participate in the Program on, or require at any time thereafter, the disclosure by a participant of information relating to a qualified insurance product in addition to the disclosures required by subsection 1. The Commissioner shall give written notice to the participant of any additional disclosures required pursuant to this subsection.

3. The disclosures required by subsections 1 and 2, as applicable, must be clear and conspicuous and must be provided in English and Spanish. If the qualified insurance product is provided through an Internet website or mobile application, the consumer must acknowledge receipt of the disclosures before the completion of any transaction.

Sec. 12. *1. An authorized insurer who desires to participate in the Program to test a qualified insurance product must submit a written application in accordance with this section, in the form prescribed by the Commissioner. A separate application must be filed for each qualified insurance product proposed for testing.*

2. The application must show that the applicant offers at least one insurance product that provides property insurance coverage for real or personal property located in this State outside of the Program and will at all times during the test continue to offer at least one insurance product that provides property insurance coverage for real or personal property located in this State outside of the Program.

3. The application must include:

(a) A description of the qualified insurance product proposed for testing and an explanation of:

(1) ~~[The regulatory scheme otherwise applicable to the qualified insurance product outside of the Program;]~~ Any exemption from the provisions of this title or the regulations adopted pursuant thereto that the applicant is requesting, which must not include any provision of this chapter or chapter 686A of NRS, and a justification for each such exemption;

(2) Any benefit of the qualified insurance product;

(3) Any risk of harm to consumers associated with the qualified insurance product; and

(4) The manner in which participation in the Program will facilitate a successful test of the qualified insurance product.

(b) A statement of the proposed plan for testing the qualified insurance product. The plan:

(1) Must include, without limitation:

(I) An estimate of the dates or periods anticipated for the test;

(II) The regions and populations of this State that the applicant will target during the test, including, without limitation, any high-risk areas of this State and any underserved regions or populations;

(III) Measures to protect consumers from harm caused by a failure of the test; and

~~*[(III)]*~~ *(IV) The plan to wind up and terminate the test; and*

(2) May provide for the provision of the qualified insurance product through producers of insurance acting as agents and brokers.

(c) A description of each insurance product the applicant offers in this State outside of the Program.

(d) Any other information deemed necessary by the Commissioner.

Sec. 13. *1. The Commissioner may refuse to consider any application submitted pursuant to section 12 of this act if the application does not include the information required by section 12 of this act or any other information deemed necessary by the Commissioner. The applicant shall provide, within the period directed by the Commissioner, any additional information required in connection with the application. If the required information is not provided, the application may be denied by the Commissioner as incomplete.*

2. Unless the Commissioner and the applicant mutually agree to extend this period, the Commissioner shall approve or deny an application within 90 days after the completed application is received.

Sec. 14. *1.* ~~*[Except as otherwise provided in this section, the]*~~ *The Commissioner may approve or deny any application submitted pursuant to section 12 of this act.*

2. The Commissioner shall give the applicant written notice of the approval or denial of the application within 5 business days after the date of approval or denial.

~~*[3. If the Commissioner denies an application, the applicant may appeal to the Director. The Director may approve or deny the application upon appeal. The decision of the Director is final and not subject to administrative or judicial review.]*~~

Sec. 15. *1. If an application to participate in the Program is approved pursuant to section 14 of this act:*

(a) The applicant shall be deemed to be a participant.

(b) The Commissioner shall issue a registration number unique to the approval.

(c) Except as otherwise required by the Commissioner pursuant to subsection 2 or section 20 of this act, a qualified insurance product offered or provided within the scope of the Program is exempt from any provision of this title or any regulation adopted pursuant thereto ~~*[.]*~~ *for which an exemption was requested in the application pursuant to subparagraph (1) of paragraph (a) of subsection 3 of section 12 of this act. The qualified insurance product may be offered or provided by producers of insurance acting as agents and brokers, in accordance with the proposed plan for testing the qualified insurance product provided pursuant to paragraph (b) of subsection 3 of section 12 of this act.*

2. The Commissioner may condition approval of an application upon compliance by the participant with one or more provisions of this title or any regulation adopted pursuant thereto ~~*[.]*~~ *for which an exemption was requested in the application pursuant to subparagraph (1) of paragraph (a) of subsection 3 of section 12 of this act.*

3. A notice of approval of an application given pursuant to section 14 of this act must ~~*[be accompanied by a copy of the provisions of sections 2 to 20, inclusive, of this act, and any applicable regulations of the Commissioner governing the Program then in effect, and]*~~ *set forth:*

(a) The registration number applicable to the approval;

(b) Any conditions imposed pursuant to subsection 2 or section 20 of this act; and

(c) Any additional information required by the ~~[Director]~~ Commissioner to be disclosed to consumers pursuant to subsection 2 of section 11 of this act.

4. Unless a timely request for an extension is made and approved pursuant to subsection 5, the period of testing for a qualified insurance product under the Program ends on a date determined by the Commissioner which must be not more than 36 months after the notice given pursuant to subsection 3.

5. On or before the date on which the period of testing a qualified insurance product ends, a participant may submit a request to extend the period of testing for the qualified insurance product for not more than 12 months. The Commissioner may approve or deny the request, except that only one extension of the period of testing of a qualified insurance product may be approved. In determining whether to approve or deny the request, the Commissioner shall review the request using the same criteria used to determine whether to approve an application to participate in the Program, except that the Commissioner shall consider any data produced by the testing of the product which has already been completed.

Sec. 16. *1. The Commissioner may establish by regulation periodic reporting requirements for participants in the Program.*

2. On request by the Commissioner, a participant shall make any requested record, information or data available for inspection and copying by the Commissioner.

3. Each participant shall retain, for such time as the Commissioner requires by order or regulation, all records and data produced in the ordinary course of business relating to a qualified insurance product tested in the Program.

4. In addition to providing any other disclosure or notice of the unauthorized acquisition of computerized data required by any applicable statute or regulation, a participant shall promptly notify the ~~[Director]~~ Commissioner of any unauthorized acquisition of computerized data constituting a breach of the security of the system data, as that term is defined in NRS 603A.020.

Sec. 17. *1. Any record or information in a record submitted to or obtained by the Commissioner pursuant to sections 2 to 20, inclusive, of this act:*

(a) Except as otherwise provided in this section, is confidential and not a public book or record within the meaning of NRS 239.010.

(b) May be disclosed by the Commissioner to:

(1) Any governmental agency or official; or

(2) A federal, state or county grand jury in response to a lawful subpoena.

2. Any disclosure pursuant to subsection 1 of a complaint relating to a qualified insurance product or the results of an examination, inquiry or investigation relating to a participant or qualified insurance product does not make the relevant record or information in a record a public record within the meaning of NRS 239.010 and a participant shall not disclose any such record or information to the general public except in connection with any disclosure required by law. A participant shall not disclose, use or refer to any comments, conclusions or results of an examination, inquiry or investigation in any communication to a consumer or potential consumer.

3. The Commissioner is immune from civil liability for any damages sustained because of a disclosure of any record or information in a record that is received or obtained pursuant to sections 2 to 20, inclusive, of this act.

4. Nothing contained in this section shall be deemed to preclude the disclosure of any record or information in a record that is admissible in evidence in any civil or criminal proceeding brought by a state or federal law enforcement agency to enforce or prosecute a civil or criminal violation of any law.

Sec. 18. *1. The Commissioner shall, on or before January 1, 2029, submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature, a report on the operation and results of the Program.*

2. The report must include:

(a) The number of applications submitted to participate in the Program, and the number of applications that were approved or denied;

(b) With respect to the applications that were denied, a description of the reasons for the denial; and

(c) With respect to the applications that were approved:

(1) A description of each qualified insurance product provided by each participant in the Program;

(2) A statement of the number of participants providing each qualified insurance product; and

(3) The number of consumers provided a qualified insurance product . ~~[;~~ ~~and~~

~~*(d) An analysis of the effect of the Program on insurance rates and the insurance market in this State.]*~~

3. The report may include ~~[any recommendations for legislation relating to the Program and]~~ any other information that the Commissioner deems relevant.

Sec. 19. ~~*[1.]*~~ *If the Commissioner has reasonable cause to believe that a participant has engaged in, is engaging in or threatens to engage in any act or omission in violation of any provision of sections 2 to 20, inclusive, of this act or any other applicable statute or regulation for which a civil or criminal penalty is prescribed, the Commissioner may remove the participant from the Program or order the participant to exit the Program.*

~~*[2. If the Commissioner removes a participant from the Program or orders the participant to exit the Program, the participant may appeal to the Director. The Director may affirm or reverse the action of the Commissioner upon appeal. The decision of the Director is final and not subject to administrative or judicial review.]*~~

Sec. 20. ~~*[1.]*~~ *If the Commissioner has reasonable cause to believe that a participant has engaged in, is engaging in or threatens to engage in any act or omission that the Commissioner determines is inconsistent with the health, safety or welfare of consumers or the public generally, the Commissioner may:*

~~*[(a)]*~~ *1. Proceed to adopt a regulation to address the issue pursuant to section 10 of this act;*

~~*[(b)]*~~ *2. Require the participant to comply with one or more provisions of this title or any regulation adopted pursuant thereto;*

~~*[(c)]*~~ *3. Remove the participant from the Program or order the participant to exit the Program; or*

~~*[(d)]*~~ *4. Take any combination of those actions.*

~~*[2. If the Commissioner takes any action pursuant subsection 1, the participant may appeal to the Director. The Director may affirm or reverse the action of the Commissioner upon appeal. The decision of the Director is final and not subject to administrative or judicial review.]*~~

Sec. 20.3. **Chapter 686B of NRS is hereby amended by adding thereto a new section to read as follows:**

1. The Commissioner shall establish a program of flex-rated filing to allow an insurer that issues a line of property insurance that provides coverage for real property to make a filing for a proposed increase in a rate for that line of insurance under the program, in lieu of making a filing pursuant to NRS 686B.070, if the proposed increase does not exceed either of the flex-rated filing

thresholds established by the Commissioner and all other requirements of this section are met.

2. To qualify for filing under the program of flex-rated filing established pursuant to this section:

(a) The filing must be limited solely to a proposed increase in a rate and must not contain changes to any supplementary rate information;

(b) The proposed increase in the rate must not exceed either of the flex-rated filing thresholds which are in effect at the time the filing is made;

(c) The proposed increase must not take effect for any existing policyholder that will be affected by the proposed increase until the date on which the policy of the policyholder is renewed; and

(d) The date on which the first existing policyholder will be affected by the proposed increase must be not earlier than 45 days after the date on which the filing is made.

3. An insurer may not make a filing for a proposed increase in a rate under the program of flex-rated filing established pursuant to this section if:

(a) The cumulative effect of the filing and all other filings filed by the insurer on the same line of insurance within the 12 months immediately preceding the proposed effective date of the proposed increase exceeds either of the flex-rated filing thresholds which are in effect on the date the filing is made; and

(b) Any policyholder that will be affected by the proposed increase has been affected by an increase filed under the program of flex-rated filing within the 12 months immediately preceding the proposed effective date of the proposed increase.

4. The Commissioner shall review each proposed increase in a rate filed under the program of flex-rated filing established pursuant to this section. If the Commissioner, within 15 days after the date on which the filing is made, finds that a proposed increase does not comply with the provisions of subsection 2 or 3 or subsection 1 of NRS 686B.050, the Commissioner shall provide notice to the insurer and subsequently treat the filing as if it were filed pursuant to NRS 686B.070. If the Commissioner has not provided the notice to the insurer within 15 days after the date on which the filing is made, the filing shall be deemed to be approved.

5. On or before June 1, 2026, the Commissioner shall establish the maximum percentage of overall rate impact and the maximum percentage of individual rate disruption for a filing for a proposed increase in a rate to qualify for filing under the program of flex-rated filing established pursuant to this section. Thereafter, on or before June 1 of any year, the Commissioner may adjust the flex-rated filing thresholds to take effect on June 1 of that year. In establishing the initial and adjusted flex-rated filing thresholds pursuant to this subsection, the Commissioner shall:

(a) Before establishing the flex-rated filing thresholds, solicit public input and hold a public hearing on the matter to consider past and future economic conditions; and

(b) Establish the maximum percentage of overall rate impact to be a percentage that is not less than 3 percent.

6. For the purposes of this section, the filing of a proposed increase in a rate under the program of flex-rated filing established pursuant to this section shall be deemed to be made on the date on which it is submitted to the Commissioner using the System for Electronic Rates and Forms Filing developed and implemented by the National Association of Insurance Commissioners or any successor system.

7. The Commissioner may adopt regulations to carry out the provisions of this section.

8. As used in this section:

(a) "Flex-rated filing threshold" means the maximum percentage of:

(1) Overall rate impact; and

(2) Individual rate disruption,

↳ that the Commissioner has established pursuant to subsection 5 for a filing for a proposed increase in a rate to qualify for filing under the program of flex-rated filing established pursuant to this section.

(b) "Individual rate disruption" means the largest percentage increase in the amount of the premiums of any single policyholder affected by a filing for a proposed increase in a rate that will occur if the proposed increase becomes effective.

(c) "Overall rate impact" means the amount, expressed as a percentage, obtained by dividing the total aggregate amount by which all premiums for all policyholders affected by a filing for a proposed increase in a rate will be increased if the proposed increase becomes effective by the total aggregate amount of all premiums for those policyholders on the day immediately preceding the proposed effective date of the proposed increase.

Sec. 20.5. **NRS 686B.020 is hereby amended to read as follows:**

686B.020 As used in NRS 686B.010 to 686B.1799, inclusive, ***and section 20.3 of this act,*** unless the context otherwise requires:

1. "Advisory organization," except as limited by NRS 686B.1752, means any person or organization which is controlled by or composed of two or more insurers and which engages in activities related to rate making. For the purposes of this subsection, two or more insurers with common ownership or operating in this State under common ownership constitute a single insurer. An advisory organization does not include:

(a) A joint underwriting association;

(b) An actuarial or legal consultant; or

(c) An employee or manager of an insurer.

2. "Market segment" means any line or kind of insurance or, if it is described in general terms, any subdivision thereof or any class of risks or combination of classes.

3. "Rate service organization" means any person, other than an employee of an insurer, who assists insurers in rate making or filing by:

(a) Collecting, compiling and furnishing loss or expense statistics;

(b) Recommending, making or filing rates or supplementary rate information; or

(c) Advising about rate questions, except as an attorney giving legal advice.

4. "Supplementary rate information" includes any manual or plan of rates, statistical plan, classification, rating schedule, minimum premium, policy fee, rating rule, rule of underwriting relating to rates and any other information prescribed by regulation of the Commissioner.

Sec. 20.7. **NRS 686B.030 is hereby amended to read as follows:**

686B.030 1. Except as otherwise provided in subsection 2 and NRS 686B.125, the provisions of NRS 686B.010 to 686B.1799, inclusive, ***and section 20.3 of this act*** apply to all kinds and lines of direct insurance written on risks or operations in this State by any insurer authorized to do business in this State, except:

(a) Ocean marine insurance;

(b) Contracts issued by fraternal benefit societies;

(c) Life insurance and credit life insurance;

(d) Variable and fixed annuities;
(e) Credit accident and health insurance;
(f) Property insurance for business and commercial risks;
(g) Casualty insurance for business and commercial risks other than insurance covering the liability of a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS or who holds a license or limited license issued pursuant to chapter 653 of NRS;
(h) Surety insurance;
(i) Health insurance offered through a group health plan maintained by a large employer; and
(j) Credit involuntary unemployment insurance.
2. The exclusions set forth in paragraphs (f) and (g) of subsection 1 extend only to issues related to the determination or approval of premium rates.

Sec. 21. NRS 686B.070 is hereby amended to read as follows:

686B.070 1. Every authorized insurer and every rate service organization licensed under NRS 686B.140 which has been designated by any insurer for the filing of rates under subsection 2 of NRS 686B.090 shall file with the Commissioner ***, either pursuant to this section or, if applicable, pursuant to section 20.3 of this act,*** all:
(a) Rates and proposed increases thereto;
(b) Forms of policies to which the rates apply;
(c) Supplementary rate information; and
(d) Changes and amendments thereof,

➥ made by it for use in this state.

2. A ~~*[Except as otherwise provided in subsection 3, a]*~~ filing made pursuant to this section must include a proposed effective date and must be filed not less than 30 days before that proposed effective date, except that a filing for a proposed increase or decrease in a rate ~~*[for a health plan described in NRS 686B.112]*~~ may include a request that the Commissioner authorize an effective date that is earlier than the proposed effective date.

3. ~~*[A filing made pursuant to this section for a proposed increase or decrease in a rate for any kind or line of insurance or subdivision thereof, other than a health plan described in NRS 686B.112, must be filed on or before the proposed effective date included in the filing. An insurer may implement the proposed increase or decrease on the proposed effective date included in the filing while the proposed increase or decrease is pending approval or disapproval by the Commissioner pursuant to NRS 686B.110.*~~

~~*4.]*~~ If an insurer makes a filing for a proposed increase in a rate for insurance covering the liability of a practitioner licensed pursuant to chapter 630, 631, 632 or 633 of NRS for a breach of the practitioner's professional duty toward a patient, the insurer shall not include in the filing any component that is directly or indirectly related to the following:
(a) Capital losses, diminished cash flow from any dividends, interest or other investment returns, or any other financial loss that is materially outside of the claims experience of the professional liability insurance industry, as determined by the Commissioner.
(b) Losses that are the result of any criminal or fraudulent activities of a director, officer or employee of the insurer.

➥ If the Commissioner determines that a filing includes any such component, the Commissioner shall, pursuant to NRS 686B.110, disapprove the proposed increase, in whole or in part, to the extent that the proposed increase relies upon such a component.

4. ~~[5.]~~ If an insurer makes a filing for a proposed increase in a rate for a health benefit plan, as that term is defined in NRS 687B.470, the filing must include a unified rate review template, a written description justifying the rate increase and any rate filing documentation.

5. ~~[6.]~~ As used in this section, "rate filing documentation," "unified rate review template" and "written description justifying the rate increase" have the meanings ascribed in 45 C.F.R. § 154.215.

Sec. 22. ~~[NRS 686B.100 is hereby amended to read as follows:~~

~~686B.100 1. By rule, the Commissioner may require the filing of supporting data as to any or all kinds or lines of insurance or subdivisions thereof or classes of risks or combinations thereof as the Commissioner deems necessary for the proper functioning of the process for monitoring and regulating rates. The supporting data must include:~~

~~(a) The experience and judgment of the filer, and, to the extent it wishes or the Commissioner requires, of other insurers or rate service organizations;~~

~~(b) Its interpretation of any statistical data relied upon;~~

~~(c) Descriptions of the actuarial and statistical methods employed in setting the rates; and~~

~~(d) Any other relevant matters required by the Commissioner.~~

~~2. [Whenever] *Except as otherwise provided in this subsection, whenever* a filing of a proposed increase in a rate is not accompanied by such information as the Commissioner has required under subsection 1, the Commissioner may so inform the insurer and the filing shall be deemed to be made when the information is furnished. *For the purposes of implementing a proposed increase in a rate for any kind or line of insurance or subdivision thereof, other than a health plan described in NRS 686B.112, pursuant to subsection 3 of NRS 686B.070, the filing of such a proposed increase shall be deemed to be made on the date on which it is filed with the Commissioner, regardless of whether the filing is accompanied by any information required by the Commissioner pursuant to subsection 1.]*~~ **(Deleted by amendment.)**

Sec. 23. ~~[NRS 686B.110 is hereby amended to read as follows:~~

~~686B.110 1. Except as otherwise provided in NRS 686B.112, the Commissioner shall consider each proposed increase or decrease in the rate of any kind or line of insurance or subdivision thereof filed with the Commissioner pursuant to subsection 1 of NRS 686B.070. If the Commissioner finds that a proposed increase will result in a rate which is not in compliance with NRS 686B.050 or subsection [3] *4* of NRS 686B.070, the Commissioner shall disapprove the proposal. The Commissioner shall approve or disapprove each proposal no later than 30 days after it is determined by the Commissioner to be complete pursuant to subsection 6. If the Commissioner fails to approve or disapprove the proposal within that period, the proposal shall be deemed approved.~~

~~2. If the Commissioner disapproves a proposed increase or decrease in any rate pursuant to subsection 1, the Commissioner shall send a written notice of disapproval to the insurer or the rate service organization that filed the proposal. The notice must set forth the reasons the proposal is not in compliance with NRS 686B.050 or subsection [3] *4* of NRS 686B.070 and must be sent to the insurer or the rate service organization not more than 30 days after the Commissioner determines that the proposal is complete pursuant to subsection 6.~~

~~3. Upon receipt of a written notice of disapproval from the Commissioner pursuant to subsection 2 or 6, the insurer or rate service organization may request that the Commissioner reconsider the proposed increase or decrease. The request for reconsideration must be received by the Commissioner not more than 30 days after the insurer or rate service organization receives the written notice of~~

~~disapproval from the Commissioner, except that if the insurer or rate service organization requests, in writing, an extension of 30 additional days in which to request a reconsideration, the Commissioner shall grant the extension. A request for reconsideration submitted pursuant to this subsection may include, without limitation, any documents or other information for review by the Commissioner in reconsidering the proposal. The Commissioner shall approve or disapprove the proposal upon reconsideration not later than 30 days after receipt of the request for reconsideration and shall notify the insurer or rate service organization of his or her approval or disapproval.~~

~~4. Whenever an insurer has no legally effective rates as a result of the Commissioner's disapproval of rates or other act, the Commissioner shall on request specify interim rates for the insurer that are high enough to protect the interests of all parties and may order that a specified portion of the premiums be placed in an escrow account approved by the Commissioner. When new rates become legally effective, the Commissioner shall order the escrowed funds or any overcharge in the interim rates to be distributed appropriately, except that refunds to policyholders that are de minimis must not be required.~~

~~5. If the Commissioner disapproves a proposed rate pursuant to subsection 1 or subsection 6 or upon reconsideration pursuant to subsection 3 and an insurer requests a hearing to determine the validity of the action of the Commissioner, the insurer has the burden of showing compliance with the applicable standards for rates established in NRS 686B.010 to 686B.1799, inclusive. Any such hearing must be held:~~

~~(a) Within 30 days after the request for a hearing has been submitted to the Commissioner; or~~

~~(b) Within a period agreed upon by the insurer and the Commissioner.~~

~~→ If the hearing is not held within the period specified in paragraph (a) or (b), or if the Commissioner fails to issue an order concerning the proposed rate for which the hearing is held within 45 days after the hearing, the proposed rate shall be deemed approved.~~

~~6. The Commissioner shall by regulation specify the documents or any other information which must be included in a proposal to increase or decrease a rate submitted to the Commissioner pursuant to subsection 1. Each such proposal shall be deemed complete upon its filing with the Commissioner, unless the Commissioner, within 15 business days after the proposal is filed with the Commissioner, determines that the proposal is incomplete because the proposal does not comply with the regulations adopted by the Commissioner pursuant to this subsection. *The determination of the Commissioner that a proposal is incomplete does not prohibit an insurer from implementing a proposed increase or decrease in a rate pursuant to subsection 3 of NRS 686B.070.* The Commissioner shall notify the insurer or rate service organization if the Commissioner determines that the proposal is incomplete. The notice must be sent within 15 business days after the proposal is filed with the Commissioner and must set forth the documents or other information that is required to complete the proposal. The Commissioner may disapprove the proposal if the insurer or rate service organization fails to provide the documents or other information to the Commissioner within 30 days after the insurer or rate service organization receives the notice that the proposal is incomplete. If the Commissioner disapproves the proposal pursuant to this subsection, the Commissioner shall notify the insurer or rate service organization of that fact in writing.~~

~~*7. If the Commissioner disapproves a proposed increase or decrease in a rate pursuant to subsection 1 or 6, upon reconsideration pursuant to subsection 3 or after a hearing conducted pursuant to subsection 5 and the insurer has*~~

~~*implemented the proposed increase or decrease pending approval or disapproval by the Commissioner pursuant to subsection 3 of NRS 686B.070, the Commissioner shall issue a written order that includes, without limitation, the specific reasons for the disapproval, with citations to relevant statutes, and the date on which the disapproved increased or decreased rate must no longer be used for the issuance of new policies or contracts or the renewal of existing policies or contracts. The date established by the Commissioner must be not less than 90 days after the written order is issued. Except as otherwise provided in this subsection, the order does not affect any policy or contract made before the effective date of the order. The Commissioner may require that the premiums be adjusted after the effective date of the order for those policies or contracts in effect on the effective date of the order.]~~ **(Deleted by amendment.)**

Sec. 24. ~~[NRS 686B.112 is hereby amended to read as follows:~~

~~686B.112 1. The Commissioner shall perform an actuarial review of and consider each rate filing of a health plan issued pursuant to the provisions of chapter 689A, 689B, 689C, 695B, 695C, 695D or 695F of NRS, including, without limitation, long-term care and Medicare supplement plans, filed with the Commissioner pursuant to subsection 1 of NRS 686B.070. If the Commissioner finds that a proposed rate which is contained in a rate filing will result in a rate which is not in compliance with NRS 686B.050 or subsection [3] 4 of NRS 686B.070, the Commissioner shall disapprove the rate filing. The Commissioner shall approve or disapprove each rate filing not later than 60 days after the rate filing is determined by the Commissioner to be complete pursuant to subsection 4. If the Commissioner fails to approve or disapprove the rate filing within that period, the rate filing shall be deemed approved.~~

~~2. Whenever an insurer has no legally effective rates as a result of the Commissioner's disapproval of rates or other act, the Commissioner shall on request specify interim rates for the insurer that are high enough to protect the interests of all parties and may order that a specified portion of the premiums be placed in an escrow account approved by the Commissioner. When new rates become legally effective, the Commissioner shall order the escrowed funds or any overcharge in the interim rates to be distributed appropriately, except that refunds to policyholders that are de minimis must not be required.~~

~~3. If the Commissioner disapproves a rate filing pursuant to subsection 1, and an insurer requests a hearing to determine the validity of the action of the Commissioner, the insurer has the burden of showing compliance with the applicable standards for rates established in NRS 686B.010 to 686B.1799, inclusive. Any such hearing must be held:~~

~~(a) Within 30 days after the request for a hearing has been submitted to the Commissioner; or~~

~~(b) Within a period agreed upon by the insurer and the Commissioner.~~

~~→ If the hearing is not held within the period specified in paragraph (a) or (b), or if the Commissioner fails to issue an order concerning the rate filing for which the hearing is held within 45 days after the hearing, the rate filing shall be deemed approved.~~

~~4. The Commissioner shall by regulation specify the documents or any other information which must be included in a rate filing submitted to the Commissioner pursuant to subsection 1. Each such rate filing shall be deemed complete upon its filing with the Commissioner, unless the Commissioner, within 15 business days after the rate filing is filed with the Commissioner, determines that the rate filing is incomplete because the rate filing does not comply with the regulations adopted by the Commissioner pursuant to this subsection.~~

~~5. The Commissioner may assess against an insurer the actual cost for the external actuarial review of a rate filing submitted pursuant to subsection 1.~~] (Deleted by amendment.)

Sec. 25. ~~[NRS 686B.117 is hereby amended to read as follows:~~

~~686B.117 If a filing made with the Commissioner pursuant to paragraph (a) of subsection 1 of NRS 686B.070 pertains to insurance covering the liability of a practitioner licensed pursuant to chapter 630, 631, 632 or 633 of NRS for a breach of the practitioner's professional duty toward a patient, any interested person, and any association of persons or organization whose members may be affected, may intervene as a matter of right in any hearing or other proceeding conducted to determine whether the applicable rate or proposed increase thereto:~~

~~1. Complies with the standards set forth in NRS 686B.050 and subsection~~ [3] ~~4 of NRS 686B.070.~~

~~2. Should be approved or disapproved.~~] (Deleted by amendment.)

Sec. 25.1. Chapter 691A of NRS is hereby amended by adding thereto a new section to read as follows:

1. An insurer that issues a policy of property insurance may exclude the peril of wildfire from the coverage provided under the policy.

2. An insurer may, subject to any other applicable provisions of this title, issue a policy of property insurance that solely covers the peril of wildfire. Such a policy may be offered:

(a) On a standalone basis; or

(b) In coordination with a policy that excludes the peril of wildfire pursuant to subsection 1.

3. An insurer may use a definition of "wildfire" in the policy that varies from the definition set forth in subsection 4 if the Commissioner has approved the variance.

4. As used in this section, "wildfire" means an unplanned and uncontrolled fire in an area of combustible vegetation that originated from outside any residential or commercial property.

Sec. 25.2. Chapter 694B of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 2, a reciprocal insurer shall at all times maintain an unearned premium reserve equal to not less than 50 percent of the net written premiums of the subscribers on policies that have 1 year or less to run and pro rata on those for longer periods, except that, as to marine and transportation insurance, the entire amount of premiums on trip risks not terminated shall be deemed unearned.

2. If, at any time, the amount of the unearned premium reserve maintained by a reciprocal insurer pursuant to subsection 1 is less than $100,000, the reciprocal insurer shall maintain cash or securities acceptable to the Commissioner in an amount that, when added to the amount of the unearned premium reserve maintained pursuant to subsection 1, equals not less than $100,000.

3. The amount of the bond filed with the Commissioner pursuant to NRS 694B.100 must be included as part of the unearned premium reserve maintained by a reciprocal insurer pursuant to subsection 1.

4. For the purposes of subsection 1, net written premiums is determined by subtracting from the sum of the amount of all premium payments made by the subscribers and the premiums due from subscribers:

(a) Any amount specifically provided for in the agreements of the subscribers for expenses, including, without limitation, reinsurance costs; and

(b) The amount of any fees paid to the attorney of the reciprocal insurer, only if the power of attorney agreement with the attorney of the reciprocal insurer contains an explicit provision requiring the attorney to refund any unearned subscribers' fees on a pro-rata basis for any policy that is cancelled.

Sec. 25.3. **NRS 694B.150 is hereby amended to read as follows:**

694B.150 In determining the financial condition of a reciprocal insurer the Commissioner shall apply the following rules:

1. The Commissioner shall charge as liabilities the same reserves as are required of incorporated insurers issuing nonassessable policies on a reserve basis.

2. The surplus deposits of subscribers shall be allowed as assets, except that any premium deposits delinquent for 90 days shall first be charged against such surplus deposit.

3. The surplus deposits of subscribers shall not be charged as a liability.

4. All premium deposits delinquent less than 90 days shall be allowed as assets.

5. An assessment levied upon subscribers, and not collected, shall not be allowed as an asset.

6. The contingent liability of subscribers shall not be allowed as an asset.

7. ~~[The computation of reserves shall be based upon premium deposits other than membership fees and without any deduction for expenses and the compensation of the attorney.]~~ ***Reserves must be maintained as required by section 25.2 of this act.***

Sec. 25.4. **NRS 694C.113 is hereby amended to read as follows:**

694C.113 "Participant" means a corporation, association, limited-liability company, partnership, trust, sponsor or other business organization, ~~[and]~~ any affiliate thereof, ***and a homeowner or a unit-owners' association, as defined in NRS 116.011,*** that is insured by a sponsored captive insurer, where the losses of the participant are limited by a participant contract to the participant's pro rata share of the assets of one or more protected cells identified in such participant contract.

Sec. 25.5. **NRS 694C.300 is hereby amended to read as follows:**

694C.300 1. Except as otherwise provided in this section, a captive insurer licensed pursuant to this chapter may transact any form of insurance described in NRS 681A.020 to 681A.080, inclusive.

2. A captive insurer licensed pursuant to this chapter:

(a) Shall not directly provide personal motor vehicle ~~[or homeowners']~~ insurance coverage, or any component thereof.

(b) Shall not accept or cede reinsurance, except as otherwise provided in NRS 694C.350.

(c) May provide excess workers' compensation insurance to its parent and affiliated companies, unless otherwise prohibited by the laws of the state in which the insurance is transacted.

(d) May reinsure workers' compensation insurance provided pursuant to a program of self-funded insurance of its parent and affiliated companies if:

(1) The parent or affiliated company which is providing the self-funded insurance is certified as a self-insured employer by the Commissioner, if the insurance is being transacted in this State; or

(2) The program of self-funded insurance is otherwise qualified pursuant to, or in compliance with, the laws of the state in which the insurance is transacted.

3. A pure captive insurer shall not insure any risks other than those of its parent and affiliated companies or controlled unaffiliated businesses.

4. ~~[An]~~ ***Except as otherwise provided in this subsection, an*** association captive insurer shall not insure any risks other than those of the member organizations of its association and the affiliated companies of the member

organizations. ***An association captive insurer may insure the risks of individual homeowners who combine into an association for the purpose of procuring homeowners' insurance or the risks of individual units' owners in a common-interest community so long as the association captive insurer is owned by the association created by the homeowners or the unit-owners' association of the common-interest community, as applicable.***

5. A state-chartered risk retention group shall not insure any risks other than those of the members of its association.

6. An agency captive insurer shall not insure any risks other than those of the policies that are placed by or through the insurance agency or brokerage that owns the captive insurer.

7. A rental captive insurer shall not insure any risks other than those of the policyholders or associations that have entered into agreements with the rental captive insurer for the insurance of those risks. Such agreements must be in a form which has been approved by the Commissioner.

8. A sponsored captive insurer shall not insure any risks other than those of its participants. ***A sponsored captive insurer may insure the risks of individual homeowners, including, without limitation, units' owners in a common-interest community, who elect to become a participant of a protected cell of a sponsored captive insurer.***

9. As used in this section ~~[, "excess]~~ ***:***

(a) "Common-interest community" has the meaning ascribed to it in NRS 116.021.

(b) "Excess workers' compensation insurance" means insurance in excess of the specified per-incident or aggregate limit, if any, established by:

~~[(a)]~~ ***(1)*** The Commissioner, if the insurance is being transacted in this State; or

~~[(b)]~~ ***(2)*** The chief regulatory officer for insurance in the state in which the insurance is being transacted.

(c) "Unit-owners' association" has the meaning ascribed to it in NRS 116.011.

(d) "Unit's owner" has the meaning ascribed to it in NRS 116.095.

Sec. 25.6. **NRS 116.3113 is hereby amended to read as follows:**

116.3113 1. Commencing not later than the time of the first conveyance of a unit to a person other than a declarant, the association shall maintain, to the extent reasonably available and subject to reasonable deductibles, all of the following:

(a) Property insurance on the common elements and, in a planned community, also on property that must become common elements, insuring against risks of direct physical loss commonly insured against, which insurance, after application of any deductibles, must be not less than 80 percent of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies.

(b) Commercial general liability insurance, including insurance for medical payments, in an amount determined by the executive board but not less than any amount specified in the declaration, covering all occurrences commonly insured against for bodily injury and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements and, in cooperatives, also of all units.

(c) Crime insurance which includes coverage for dishonest acts by members of the executive board and the officers, employees, agents, directors and volunteers of the association and which extends coverage to any business entity that acts as the community manager of the association and the employees of that entity. Such

insurance may not contain a conviction requirement, and the minimum amount of the policy must be not less than an amount equal to 3 months of aggregate assessments on all units plus reserve funds or $5,000,000, whichever is less.

(d) Directors and officers insurance that is a nonprofit organization errors and omissions policy in a minimum aggregate amount of not less than $1,000,000 naming the association as the owner and the named insured. The coverage must extend to the members of the executive board and the officers, employees, agents, directors and volunteers of the association and to the community manager of the association and any employees thereof while acting as agents as insured persons under the policy terms. Coverage must be subject to the terms listed in the declaration.

2. ~~[In the case of a building that contains units divided by horizontal boundaries described in the declaration, or vertical boundaries that comprise common walls between units, the insurance maintained under paragraph (a) of subsection 1, to the extent reasonably available, must include the units, but need not include improvements and betterments installed by units' owners.~~

~~3.]~~ If the insurance described in ~~[subsections]~~ ***subsection*** 1 ~~[and 2]~~ is not reasonably available, the association promptly shall cause notice of that fact to be given to all units' owners. The declaration may require the association to carry any other insurance, and the association may carry any other insurance it considers appropriate to protect the association or the units' owners.

~~[4.]~~ ***3.*** An insurance policy issued to the association does not prevent a unit's owner from obtaining insurance for the unit's owner's own benefit.

Sec. 25.7. **NRS 116.31133 is hereby amended to read as follows:**

116.31133 1. Insurance policies carried pursuant to NRS 116.3113 must provide that:

(a) Each unit's owner is an insured person under the policy with respect to liability arising out of the unit's owner's interest in the common elements or membership in the association;

(b) The insurer waives its right to subrogation under the policy against any unit's owner or member of his or her household;

(c) No act or omission by any unit's owner, unless acting within the scope of his or her authority on behalf of the association, voids the policy or is a condition to recovery under the policy; and

(d) If, at the time of a loss under the policy, there is other insurance in the name of a unit's owner covering the same risk covered by the policy, the association's policy provides primary insurance.

2. Any loss covered by the property policy under ~~[subsections]~~ ***subsection*** 1 ~~[and 2]~~ of NRS 116.3113 must be adjusted with the association, but the proceeds for that loss are payable to any insurance trustee designated for that purpose, or otherwise to the association, and not to any holder of a security interest. The insurance trustee or the association shall hold any insurance proceeds in trust for the association, units' owners and lienholders as their interests may appear. Subject to NRS 116.31135, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the association, units' owners, and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the common-interest community is terminated.

3. An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance to the association and, upon written request, to any unit's owner or holder of a security interest. The insurer issuing the policy may not cancel or refuse to renew it until 30 days after notice of the proposed cancellation or nonrenewal has been mailed to the association, each unit's owner

and each holder of a security interest to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

Sec. 26. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.0397, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119A.677, 119B.370, 119B.382, 120A.640, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 164.041, 172.075, 172.245, 176.01334, 176.01385, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 178.5717, 179.495, 179A.070, 179A.165, 179D.160, 180.600, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3923, 209.3925, 209.419, 209.429, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 218G.615, 224.240, 226.462, 226.796, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1285, 231.1473, 232.1369, 233.190, 237.300, 239.0105, 239.0113, 239.014, 239B.026, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.545, 247.550, 247.560, 250.087, 250.130, 250.140, 250.145, 250.150, 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 284.4086, 286.110, 286.118, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.909, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 353D.250, 360.240, 360.247, 360.255, 360.755, 361.044, 361.2242, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.033, 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465, 396.1415, 396.1425, 396.143, 396.159, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 427A.940, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.4018, 432B.407, 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534, 433A.360, 439.4941, 439.4988, 439.5282, 439.840, 439.914, 439A.116, 439A.124, 439B.420, 439B.754, 439B.760, 439B.845, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 442.774, 445A.665, 445B.570, 445B.7773, 449.209, 449.245, 449.4315, 449A.112, 450.140, 450B.188, 450B.805, 453.164, 453.720, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.535, 480.545, 480.935, 480.940, 481.063, 481.091, 481.093, 482.170, 482.368, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484A.469, 484B.830, 484B.833, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 598A.420, 599B.090, 603.070, 603A.210,

604A.303, 604A.710, 604D.500, 604D.600, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.238, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.043, 629.047, 629.069, 630.133, 630.2671, 630.2672, 630.2673, 630.2687, 630.30665, 630.336, 630A.327, 630A.555, 631.332, 631.368, 632.121, 632.125, 632.3415, 632.3423, 632.405, 633.283, 633.301, 633.427, 633.4715, 633.4716, 633.4717, 633.524, 634.055, 634.1303, 634.214, 634A.169, 634A.185, 634B.730, 635.111, 635.158, 636.262, 636.342, 637.085, 637.145, 637B.192, 637B.288, 638.087, 638.089, 639.183, 639.2485, 639.570, 640.075, 640.152, 640A.185, 640A.220, 640B.405, 640B.730, 640C.580, 640C.600, 640C.620, 640C.745, 640C.760, 640D.135, 640D.190, 640E.225, 640E.340, 641.090, 641.221, 641.2215, 641A.191, 641A.217, 641A.262, 641B.170, 641B.281, 641B.282, 641C.455, 641C.760, 641D.260, 641D.320, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.126, 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 670B.680, 671.365, 671.415, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710, 678C.800, 679B.122, 679B.124, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.060, 687A.115, 687B.404, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159, 711.600, ***and section 17 of this act,*** sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.

4. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:

(a) The public record:

(1) Was not created or prepared in an electronic format; and

(2) Is not available in an electronic format; or

(b) Providing the public record in an electronic format or by means of an electronic medium would:

(1) Give access to proprietary software; or

(2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.

5. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:

(a) Shall not refuse to provide a copy of that public record in the medium that is requested because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.

(b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.

Sec. 27. 1. This section becomes effective upon passage and approval.

2. **Sections 25.4 to 25.7, inclusive, of this act become effective on July 1, 2025.**

3. Sections 1 to **25.3, inclusive, and** 26 ~~**[, inclusive,]**~~ of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2026, for all other purposes.

~~**[3.]**~~ **4.** Sections 2 to 20, inclusive, and section 26 of this act expire by limitation on January 1, 2030.