A.B. 73

ASSEMBLY BILL NO. 73–COMMITTEE
ON COMMERCE AND LABOR

(ON BEHALF OF THE ATTORNEY GENERAL)

PREFILED NOVEMBER 18, 2026

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to insurance. (BDR 57-520)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: May have Fiscal Impact.
Effect on the State Highway Fund: 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; revising the manner in which an annual assessment imposed on certain insurers in this State is calculated; requiring the Commissioner of Insurance to adopt regulations relating to the annual assessment; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each insurer authorized to transact insurance in this State, other than certain insurers that provide only workers' compensation insurance, to pay an annual assessment used to pay certain expenses associated with the investigation and prosecution of insurance fraud. Existing law establishes certain fixed amounts for the annual assessment based upon the total amount of premiums charged by an insurer to insureds in this State. (NRS 679B.700)

Section 1 of this bill eliminates those fixed amounts and instead requires the Commissioner of Insurance to adopt regulations establishing a formula for calculating the annual assessment. **Section 1** requires the formula to be based upon the amount of money necessary to pay certain expenses associated with the investigation, prosecution and prevention of insurance fraud, including expenses relating to the coordination of activities and public education, and to provide for an equitable allocation of those expenses among insurers. **Section 1** also requires the regulations to provide for the administration of the payment and collection of the annual assessment and to establish any necessary penalties.

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

Section 1. NRS 679B.700 is hereby amended to read as follows:

679B.700 1. The Special Investigative Account is hereby established in the Fund for Insurance Administration and Enforcement created by NRS 680C.100 for use by the Commissioner. The Commissioner shall deposit all money received pursuant to this section with the State Treasurer for credit to the Account. Money remaining in the Account at the end of a fiscal year does not lapse to the State General Fund and may be used by the Commissioner in any subsequent fiscal year for the purposes of this section.

2. The Commissioner shall:

(a) In cooperation with the Attorney General, biennially prepare and submit to the Governor, for inclusion in the executive budget, a proposed budget for the program established pursuant to NRS 679B.630; and

(b) Authorize expenditures from the Special Investigative Account to pay the expenses of the program established pursuant to NRS 679B.630 and of ~~[any unit established in the Office of the Attorney General that investigates and prosecutes insurance fraud.]~~ ***the Fraud Control Unit.***

3. The money authorized for expenditure pursuant to paragraph (b) of subsection 2 must be distributed in the following manner:

(a) Fifteen percent of the money authorized for expenditure must be paid to the Commissioner to oversee and enforce the program established pursuant to NRS 679B.630; and

(b) Eighty-five percent of the money authorized for expenditure must be paid to the Attorney General to pay the expenses of the ~~[unit established in the Office of the Attorney General that investigates and prosecutes insurance fraud.]~~ ***Fraud Control Unit.***

4. Except as otherwise provided in subsection ~~[5,]~~ ***6,*** costs of the program established pursuant to NRS 679B.630 ***and the Fraud Control Unit*** must be paid by the insurers authorized to transact insurance in this State. The Commissioner shall collect an annual assessment from each insurer authorized to transact insurance in this State. The ~~[annual amount so assessed to each insurer:~~

~~(a) Is $1,000, if the total amount of the premiums charged to insureds in this State by the insurer is less than $100,000 or if the insurer is a reinsurer that has the authority to assume only reinsurance;~~

~~(b) Is $1,500, if the total amount of the premiums charged to insureds in this State by the insurer is $100,000 or more, but less than $1,000,000;~~

~~(c) Is $2,000, if the total amount of the premiums charged to insureds in this State by the insurer is $1,000,000 or more, but less than $10,000,000;~~

~~(d) Is $3,000, if the total amount of the premiums charged to insureds in this State by the insurer is $10,000,000 or more, but less than $50,000,000; and~~

~~(e) Is $4,000, if the total amount of the premiums charged to insureds in this State by the insurer is $50,000,000 or more.~~] ***Commissioner shall adopt regulations that:***

(a) Establish the formula for calculating the annual assessment on each insurer;

(b) Provide for the administration of the payment and collection of the annual assessment; and

(c) Establish any penalties that the Commissioner determines are necessary to carry out the provisions of this subsection.

5. ***In establishing the formula for calculating the annual assessment pursuant to subsection 4, the Commissioner shall:***

(a) Determine the amount of money necessary to pay:

(1) All salaries and other expenses of the program established pursuant to NRS 679B.630, including, without limitation, the costs of the office and staff of the Commissioner attributable to the program;

(2) All salaries and other expenses of the Fraud Control Unit;

(3) Any necessary expenses incurred in the investigation or prosecution of insurance fraud;

(4) Any reasonable expenses incurred to coordinate the operations of the program established pursuant to NRS 679B.630 and the Fraud Control Unit; and

(5) Any reasonable expenses incurred by the program established pursuant to NRS 679B.630 or the Fraud Control Unit to educate the public concerning insurance fraud and to prevent or deter insurance fraud;

(b) Allocate the amount determined pursuant to paragraph (a) among the insurers required to pay the annual assessment in a manner that results in an equitable distribution of the costs among those insurers; and

(c) Provide for an equitable assessment of a reinsurer that has the authority to assume only reinsurance.

6. The provisions of this section do not apply to an insurer who provides only workers' compensation insurance and pays the assessment provided in NRS 232.680.

~~[6. The Commissioner shall adopt regulations to carry out the provisions of this section, including, without limitation, the collection of the assessment.]~~

7. As used in this section, "reinsurer" has the meaning ascribed to it in NRS 681A.370.

Sec. 2. 1. This section becomes effective upon passage and approval.

2. Section 1 of this act becomes 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 July 1, 2027, for all other purposes.

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