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Insurance; Domestic and Foreign Insurers

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Moreover, the Commissioner may subsequently issue a fine for the violation of a compliance order.¹⁷ Finally, Chapter 394 requires all insurers to provide information regarding the elements of coverage,¹⁸ including the existence of any excess insurance or reinsurance in effect,¹⁹ to disseminators of insurance.²⁰

17. *Id.* c. 394, §9, at 959. After notice and a hearing a maximum \$5,000 fine for each violation may be imposed. *Id.*

18. *Id.* c. 394, §5(2), at 959.

19. *Id.* *But cf.* NEV. REV. STAT. §680A.070(4)-(5) (surplus insurance and reinsurance exempted from authorization requirement).

20. *See* 1983 Nev. Stat. c. 394, §5(2), at 959 (disseminator includes an agent, broker, or advertiser).

Insurance; domestic and foreign insurers

NEV. REV. STAT. §680A.— (new); §§679A.090, 680A.060 (amended).
SB 305 (Committee on Commerce and Labor); 1983 STAT. Ch 288

Prior law defined a domestic insurer¹ as an insurer formed under the laws of Nevada.² Chapter 288 redefines a domestic insurer³ as either (1) an insurer formed under the laws of Nevada that has not converted into a foreign insurer,⁴ or (2) a foreign insurer that has converted into a domestic insurer.⁵ Furthermore, a foreign insurer with a certificate of authority⁶ to transact insurance⁷ in Nevada will be permitted to become a domestic insurer by complying with statutory requirements.⁸ Chapter 288 also provides that when a foreign insurer becomes a domestic insurer, the insurer will be entitled to the same rights and obligations held by other domestic insurers.⁹

Prior law defined a foreign insurer as one formed under the laws of a jurisdiction other than Nevada.¹⁰ With the enactment of Chapter 288, the definition of foreign insurer¹¹ excludes insurers formed under the

1. NEV. REV. STAT. §679A.100 (definition of insurer).

2. 1971 Nev. Stat. c. 660, §9(1), at 1558 (enacting NEV. REV. STAT. §679A.090(1)).

3. *Compare* NEV. REV. STAT. §679A.090(1) (amended by 1983 Nev. Stat. c. 288, §1(1), at 683) with 1971 Nev. Stat. c. 660, §9(1), at 1558 (enacting NEV. REV. STAT. §679A.090(1)).

4. NEV. REV. STAT. §679A.090(1)(a) (amended by 1983 Nev. Stat. c. 288, §1, at 683).

5. *Id.* §679A.090(1)(b) (amended by 1983 Nev. Stat. c. 288, §1, at 683).

6. *See id.* §680A.060(1) (amended by 1981 Nev. Stat. c. 788, §6(1), at 684) (certificate of authority required).

7. *Id.* §679A.130 (definition of transacting insurance).

8. 1983 Nev. Stat. c. 288, §3, at 683. *See generally* NEV. REV. STAT. §§692B.010-.260 (formation and financing of insurers).

9. 1983 Nev. Stat. c. 288, §3, at 683.

10. 1971 Nev. Stat. c. 660, §9(2), at 1558 (enacting NEV. REV. STAT. §679A.090(2)).

11. *Compare* NEV. REV. STAT. §679A.090(2) (amended by 1983 Nev. Stat. c. 288, §1(2), at 683) with 1971 Nev. Stat. c. 660, §9(2), at 1558 (enacting NEV. REV. STAT. §679A.090(2)).

laws of any other jurisdiction that have converted to domestic insurers,¹² and includes domestic insurers that have converted into foreign insurers.¹³ Chapter 288 further provides that a domestic insurer ceases to be a domestic insurer upon a transfer of domicile to another state.¹⁴ The Commissioner of Insurance (hereinafter referred to as Commissioner)¹⁵ may issue a certificate of authority to transact insurance as a foreign insurer to insurers that qualify as foreign insurers¹⁶ if the certification is deemed to be in the best interest of the policyholders of Nevada.¹⁷

Moreover, Chapter 288 mandates that every insurer transferring domicile into or out of Nevada must notify the Commissioner at least thirty days before the transfer.¹⁸ In addition, these insurers must file new policy forms and any other required documents with the Commissioner on or before the effective date of the transfer.¹⁹ Although Chapter 288 permits the policies of a transferring insurer to remain in effect,²⁰ the Commissioner may require the insurer to endorse the policies with its new name and address.²¹

Furthermore, Chapter 288 provides that the Commissioner may require a converting insurer to (1) obtain new licenses²² for its agents,²³ (2) make new appointments of agents,²⁴ or (3) apply for a new license, certificate,²⁵ or authorization.²⁶ Finally, Chapter 288 provides that any license, appointment, or authorization not requiring renewal will remain in effect after the conversion.²⁷

12. NEV. REV. STAT. §679A.090(2)(a) (amended by 1983 Nev. Stat. c. 288, §1(2)(a), at 683).

13. *Id.* §679A.090(2)(b) (amended by 1983 Nev. Stat. c. 288, §1(2)(b), at 683).

14. 1983 Nev. Stat. c. 288, §4(1), at 683.

15. NEV. REV. STAT. §679A.060 (definition of Commissioner).

16. 1983 Nev. Stat. c. 288, §4(2)(a), at 683.

17. *Id.* c. 288, §4(2)(b), at 683.

18. *Id.* c. 288, §5(3), at 683.

19. *Id.*

20. *Id.* c. 288, §5(2), at 683.

21. *Id.*

22. *Id.* c. 288, §5(1)(a), at 683.

23. NEV. REV. STAT. §683A.030(1) (definition of agent).

24. 1983 Nev. Stat. c. 288, §5(1)(b), at 683.

25. *See* NEV. REV. STAT. §683A.085 (requirements for certificate of registration for administrators).

26. 1983 Nev. Stat. c. 288, §5(1)(c), at 683.

27. *Id.* c. 288, §5(1), at 683.