

SENATE BILL NO. 135—SENATOR HARDY

PREFILED FEBRUARY 13, 2017

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Requires that an applicant for certain insurance-related licenses have the option to take an examination in Spanish. (BDR 57-684)

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 Division of Insurance of the Department of Business and Industry to provide reasonable notice that an examination for a license as a producer of insurance, insurance consultant, adjuster or surplus lines broker may be taken in English or Spanish; requiring that the examination for each such license be offered in English or Spanish; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires a resident natural person who is applying for a license as  
2 a producer of insurance to pass a written examination that tests: (1) the knowledge  
3 of the applicant concerning the lines of authority for which the application is made;  
4 (2) the duties and responsibilities of a producer of insurance; and (3) the laws and  
5 regulations of this State relating to insurance. (NRS 683A.241) **Section 1** of this  
6 bill requires the Division of Insurance of the Department of Business and Industry  
7 to provide reasonable notice that the examination may be taken in either English or  
8 Spanish. **Section 1** further requires that the examination be provided in: (1)  
9 English; or (2) Spanish, if the applicant requests that he or she be allowed to take  
10 the examination in Spanish.

11 Existing law requires an applicant for an insurance consultant’s license to  
12 successfully complete an examination and a course of instruction that is established  
13 by the Commissioner of Insurance through regulation. (NRS 683C.030) **Section 2**  
14 of this bill requires the Division to provide reasonable notice that the examination  
15 may be taken in either English or Spanish. **Section 2** further requires that the  
16 examination be provided in: (1) English; or (2) Spanish, if an applicant requests  
17 that he or she be allowed to take the examination in Spanish.

18 Existing law requires each person who intends to apply for a license as an  
19 adjuster to, before applying for the license, personally take and pass to the



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20 Commissioner of Insurance's satisfaction a written examination that tests: (1) the  
21 applicant's qualifications and competence to act as an adjuster; and (2) his or her  
22 knowledge of pertinent provisions of the Nevada Insurance Code. (NRS 684A.100)  
23 **Section 3** of this bill requires the Division to provide reasonable notice that the  
24 examination may be taken in either English or Spanish. **Section 3** further requires  
25 that the examination be provided in: (1) English; or (2) Spanish, if the person  
26 requests that he or she be allowed to take the examination in Spanish.

27 Finally, existing law authorizes certain persons to be licensed as a surplus lines  
28 broker once they pass an examination that is prescribed by the Commissioner of  
29 Insurance on the subject of surplus lines. (NRS 685A.120) **Section 4** of this bill  
30 requires the Division to provide reasonable notice that the examination may be  
31 taken in either English or Spanish. **Section 4** further requires that the examination  
32 be provided in: (1) English; or (2) Spanish, if the person requests that he or she be  
33 allowed to take the examination in Spanish.

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

1 **Section 1.** NRS 683A.241 is hereby amended to read as  
2 follows:

3 683A.241 1. A resident natural person applying for a license  
4 as a producer of insurance must pass a written examination unless  
5 exempt under NRS 683A.291. The examination must test  
6 knowledge concerning the lines of authority for which application is  
7 made, the duties and responsibilities of a producer and the laws and  
8 regulations of this state relating to insurance. The Commissioner  
9 shall adopt regulations for developing and conducting examinations  
10 required by this section. *The Division shall provide reasonable  
11 notice that the examination may be taken in English or Spanish.  
12 The examination must be provided to an applicant in:*

13 *(a) English; or*

14 *(b) Spanish, if the applicant requests to take the examination  
15 in Spanish.*

16 2. The Commissioner may contract with a person outside the  
17 Division for administering examinations, processing applications,  
18 collecting fees and performing any other functions the  
19 Commissioner considers appropriate.

20 3. Each natural person applying for an examination shall pay a  
21 nonrefundable fee in an amount prescribed by the Commissioner to  
22 defray the cost of processing the application and administering the  
23 examination.

24 4. An applicant who fails to appear for the examination as  
25 scheduled or fails to pass the examination must reapply for  
26 examination and pay the required fee in order to be scheduled for  
27 another examination.



1 **Sec. 2.** NRS 683C.030 is hereby amended to read as follows:

2 683C.030 1. An application for a license to act as an  
3 insurance consultant must be submitted to the Commissioner on  
4 forms prescribed by the Commissioner and must be accompanied by  
5 the applicable license fee set forth in NRS 680B.010 and, in addition  
6 to any other fee or charge, all applicable fees required pursuant to  
7 NRS 680C.110. The license fee set forth in NRS 680B.010 is not  
8 refundable. If the applicant is a natural person, the application must  
9 include the social security number of the applicant.

10 2. An applicant for an insurance consultant's license must  
11 successfully complete an examination and a course of instruction  
12 which the Commissioner shall establish by regulation.

13 3. *The Division shall provide reasonable notice that the*  
14 *examination may be taken in either English or Spanish. The*  
15 *examination must be provided to an applicant in:*

16 (a) *English; or*

17 (b) *Spanish, if the applicant requests to take the examination*  
18 *in Spanish.*

19 4. Each license issued pursuant to this chapter is valid for 3  
20 years from the date of issuance or until it is suspended, revoked or  
21 otherwise terminated, and each insurance consultant must pay, in  
22 addition to any other fee or charge, all applicable fees required  
23 pursuant to NRS 680C.110.

24 **Sec. 3.** NRS 684A.100 is hereby amended to read as follows:

25 684A.100 1. Each person who intends to apply for a license  
26 as an adjuster must, before applying for the license, personally take  
27 and pass to the Commissioner's satisfaction a written examination  
28 testing the applicant's qualifications and competence to act as an  
29 adjuster and his or her knowledge of pertinent provisions of this  
30 Code unless:

31 ~~1~~ (a) The person:

32 ~~(a)~~ (1) Is not a resident of this State;

33 ~~(b)~~ (2) Has passed an examination to become licensed as an  
34 adjuster in the person's home state; and

35 ~~(c)~~ (3) Is currently licensed and in good standing in the  
36 person's home state as an adjuster; or

37 ~~2~~ (b) The person was licensed in this State as the same type of  
38 adjuster within the 24-month period immediately preceding the date  
39 of the application, unless the previous license was revoked or  
40 suspended or its continuation was refused by the Commissioner.

41 2. *The Division shall provide reasonable notice that the*  
42 *examination may be taken in either English or Spanish. The*  
43 *examination must be provided to a person in:*

44 (a) *English; or*



1       ***(b) Spanish, if the person requests to take the examination in***  
2 ***Spanish.***

3       **Sec. 4.** NRS 685A.120 is hereby amended to read as follows:

4       685A.120 1. No person may act as, hold himself or herself  
5 out as or be a surplus lines broker with respect to subjects of  
6 insurance for which this State is the insured's home state unless the  
7 person is licensed as such by the Commissioner pursuant to this  
8 chapter.

9       2. Any person who has been licensed by this State as a  
10 producer of insurance for general lines for at least 6 months, or has  
11 been licensed in another state as a surplus lines broker and continues  
12 to be licensed in that state, and who is deemed by the Commissioner  
13 to be competent and trustworthy with respect to the handling of  
14 surplus lines may be licensed as a surplus lines broker upon:

15       (a) Application for a license and payment of all applicable fees  
16 for a license;

17       (b) Submitting the statement required pursuant to NRS  
18 685A.127; and

19       (c) Passing any examination prescribed by the Commissioner on  
20 the subject of surplus lines.

21       3. ***The Division shall provide reasonable notice that the***  
22 ***examination may be taken in either English or Spanish. The***  
23 ***examination must be provided to a person in:***

24       ***(a) English; or***

25       ***(b) Spanish, if the person requests to take the examination in***  
26 ***Spanish.***

27       4. An application for a license must be submitted to the  
28 Commissioner on a form designated and furnished by the  
29 Commissioner. The application must include the social security  
30 number of the applicant.

31       ~~4~~ 5. A license issued pursuant to this chapter continues in  
32 force for 3 years unless it is suspended, revoked or otherwise  
33 terminated. The license may be renewed upon submission of the  
34 statement required pursuant to NRS 685A.127 and payment of all  
35 applicable fees for renewal to the Commissioner on or before the  
36 last day of the month in which the license is renewable.

37       ~~5~~ 6. A license which is not renewed expires at midnight on  
38 the last day specified for its renewal. The Commissioner may accept  
39 a request for renewal received by the Commissioner within 30 days  
40 after the expiration of the license if the request is accompanied by:

41       (a) The statement required pursuant to NRS 685A.127;

42       (b) All applicable fees for renewal; and

43       (c) A penalty in an amount that is equal to 50 percent of all  
44 applicable fees for renewal, except for any fee required pursuant to  
45 NRS 680C.110.



- 1     **Sec. 5.** This act becomes effective:  
2     1. Upon passage and approval for the purpose of adopting  
3 regulations and performing any other preparatory tasks that are  
4 necessary to carry out the provisions of this act; and  
5     2. On January 1, 2018, for all other purposes.

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