



Reported by:

Rachael Rizzi, Legislative Chair

The 82nd legislative session of Nevada convened on February 6 and adjourned on June 6. We had a successful day on the hill in Carson City on April 6. Seventeen people were in attendance representing agents, carriers, wholesalers, and the association as whole. Many of these folks were new faces! We met and/or dropped information off with every legislator.

The following is a quick recap of the session.

SB 57, the DOI Omnibus Bill, passed. As noted in the previous bulletin, it was reviewed by the NIIA Legislative Committee and was supported as written.

AB 398 which states that an insurer “shall not issue or renew a policy of liability insurance that contains a provision that reduces the limit of liability stated in the policy by the costs of defense, legal costs and fees and other expenses for claims; or otherwise limits the availability of coverage for the costs of defense, legal costs and fees and other expenses for claims”. This bill has been signed by the governor and is effective 10/1/23.

We provided moderate opposition to this bill arguing that it will adversely impact specific segments of Nevada policyholders. Carriers have already begun non-renewals and rate increases in response. The NIIA Lobbyist has shared our concerns with the Division of Insurance, and we have been working with Commissioner Kipper regarding interpretation, regulation, applicability to the E&S market, and potential mitigation strategies. We are not hopeful that these efforts will, at this time, reverse or mitigate the unintended consequences of passing this law. It is likely that we will have to propose changes in the next legislative session.

It is important to note that NIIA was the only association to make comment on this bill. This is your NIIPAC contributions, in both money and time, in action! We will be working throughout the next year to cultivate relationships with the legislators to keep them informed, in real time, about the impact this

legislation is having on the marketplace. **How can you help? If you would like to track, and share, anonymous data about the impacts in your agency it would be beneficial, please reach out to me or Susan for a template.**

HOT OFF THE PRESS: AB 398 EMERGENCY REGULATION

Thank you to the Commissioner and all in the industry who worked on this issue.

The emergency regulation is good for 120 days. A permanent regulation is being prepared and will be proposed to the Governor. We will then need the support of the LCB.

Currently per the Emergency Regulation, non-admitted markets are not affected by the legislation.

[Guidance from the Nevada DOI](#)

[Emergency Regulation](#)

Reach out to your association at membershipservices@niia.org with any questions.

You may also direct your specific questions to the Nevada Division of Insurance.



Federally, NIIA had seven attendees participate in the Big I Legislative Conference in Washington, DC. Our day on the hill on April 27 was very successful as we met with each of our representatives and/or their staff. Much of the agenda laid out by the Big I was a revisit from years past – crop insurance, flood insurance, maintaining the small business tax, and lobbying for federal data privacy standards. We also discussed the FTC non-compete ban with mixed results – everyone had a position, but it was not consistent.

We took the opportunity to discuss wildfire concerns with all our representatives and several of our counterparts in other impacted states. One of the ideas that we are actively working on is to create a federal definition for wildfire. If we can accomplish that, at least in Nevada, there may be the opportunity for standard carriers to exclude wildfire from standard policies and create a secondary buy back (like flood or earthquake). Some states have laws that prevent carriers from carving out wildfire, but it is our understanding that we do not. Providing carriers with a path to adjust current rates, policy structures, etc. by removing that risk is the fastest way to turn the ship.

The NIIA Legislative Committee and the PACs power of our membership. Your contributions are how you can help protect the industry and your livelihood. Donate today!

[Who is your Legislator?](#)

[DONATE TO NIIPAC](#)

[DONATE TO InsurPac](#)

State Report Continued

While thankfully neither of them passed, the trial lobbyists introduced not one, but two, bills to repeal med mal reform (AB 404 & AB 209). This was the biggest fight of the session for us.

Leading up to the legislative sessions, we began working to bring transparency in the form of mandatory annual disclosures for consumers to Self-Insured Groups (SIGs). Unfortunately, the two bills proposed (SB 179 & SB 30) died. We are hoping to continue discussions with the Commissioner to find an impactful regulatory solution.

SB 274 was set to remove exclusive remedies on Workers Compensation policies. Though the NIIA was not in opposition to increasing the penalty to carriers in violation of current statutes, we were opposed to section 3 that opens the door to civil litigation against the carriers and employers. We believe a meaningful penalty imposed is adequate to ensure Nevada workers' claims are being handled efficiently and effectively in their best interests. The opportunity of additional civil litigation would simply take advantage of and increase workers' compensation costs for businesses and their downstream consumers. Our voices communicated with the bill sponsor and the Commissioner were heard and beneficial to the final version of the passed bill. The other WC bills that we tracked (AB 141 & AB 441) died.



The NIIA is pleased to see Scott Kipper, Commissioner of the Nevada Division of Insurance is back and immediately engaged with the NIIA leadership to discuss the current state of the division and the industry. He has made himself available for several meetings and discussions regarding legislation proposed during the 82nd session as well as regulation we find important for the industry. We find Kipper to be a friend of the Independent Agent and look forward to working together for the betterment of our agencies and insureds.



To review legislation from the 82nd (2023) Session, [click here](#).

Should you like to find out how you can volunteer on the Legislative Committee, contact: membershipservices@niia.org or call the NIIA offices at 775-499-5844



INDUSTRY PARTNER PROGRAM
Nevada Independent Insurance Agents

Diamond



Platinum



Gold



Silver

Acuity :: AmTrust North America :: BondExchange
Burns & Wilcox :: Capital Insurance Group :: Central Insurance
HCIT :: Levitate :: Pathward :: Travelers

Bronze

AMERISAFE :: Badger Mutual :: CopperPoint Insurance :: EMC Insurance Companies
Internet of Insurance :: Mercury Insurance :: Method Insurance :: MJ Hall Insurance
National E&S Insurance Brokers :: National General :: Tokio Marine :: UBIC
Universal North America

Thank you to all our Partners!

