

ASSEMBLY BILL NO. 430—COMMITTEE  
ON COMMERCE AND LABOR

MARCH 25, 2013

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing title loans.  
(BDR 52-974)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: 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 title loans; revising certain requirements for the  
issuance of a title loan; and providing other matters  
properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law prohibits a person who: (1) is licensed to operate a check-cashing  
2 service, deferred deposit loan service, high-interest loan service or title loan  
3 service; and (2) makes title loans from making a title loan without regard to the  
4 ability of the customer to repay the loan. (NRS 604A.450) This bill deletes that  
5 provision and provides that an affidavit signed by a customer concerning the  
6 customer’s ability to repay the loan shall be deemed to be satisfactory evidence of  
7 the customer’s ability to repay the loan, including the customer’s ability to repay  
8 the loan over the course of any statutory or contractual extension of the period in  
9 which to repay the title loan and any grace period offered by the licensee, to the  
10 extent that any such extension or grace period is included in the express terms of  
11 the title loan.

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

1 **Section 1.** NRS 604A.450 is hereby amended to read as  
2 follows:  
3 604A.450 *1.* A licensee ~~{who makes title loans}~~ shall not ~~f-~~  
4 ~~—1. Make~~ *make* a title loan ~~{that}~~ *to a customer:*  
5 *(a) That* exceeds the fair market value of the vehicle securing  
6 the title loan.



1 ~~{2. Make a title loan without regard to the ability of the~~  
2 ~~customer seeking the title loan to repay the title loan, including the~~  
3 ~~customer's current and expected income, obligations and~~  
4 ~~employment.~~

5 ~~—3. Make a title loan without}~~

6 **(b) Without** requiring the customer to sign an affidavit which  
7 states that:

8 ~~{(a)}~~ **(1)** The customer has provided the licensee with true and  
9 correct information concerning the customer's income, obligations,  
10 employment and ownership of the vehicle; and

11 ~~{(b)}~~ **(2)** The customer has the ability to repay the title loan.

12 **2. An affidavit signed by a customer pursuant to subsection 1**  
13 **shall be deemed to be proof satisfactory of his or her ability to**  
14 **repay the title loan, including his or her ability to repay the title**  
15 **loan over the course of any statutory or contractual extension of**  
16 **the period in which to repay the title loan and any grace period**  
17 **offered by the licensee, to the extent that any such extension of the**  
18 **period in which to repay the title loan or any grace period is**  
19 **included in the express terms of the title loan.**

