
SENATE BILL NO. 261—SENATORS JONES, WOODHOUSE,
SPEARMAN, SEGERBLOM; FORD, HUTCHISON, KIHUEN AND
MANENDO

MARCH 15, 2013

JOINT SPONSORS: ASSEMBLYMEN HEALEY;
LIVERMORE AND MUNFORD

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions relating to door-to-door solicitation. (BDR 52-829)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
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 the regulation of trades; requiring certain persons who engage in door-to-door commercial solicitation to obtain a permit from the Consumer Affairs Division of the Department of Business and Industry; providing for the issuance of identification badges to persons who engage in such solicitation; prohibiting commercial or noncommercial solicitation under certain circumstances; requiring the Division to establish a list of residential addresses at which commercial solicitation is prohibited; authorizing disciplinary action against the holder of a permit or identification badge; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law imposes certain requirements relating to door-to-door solicitations.
- 2 For example, a person engaged in the business or occupation of making such
- 3 solicitations is required to identify himself or herself and the purpose of his or her
- 4 visit within 30 seconds after beginning the conversation. (NRS 598.092) In
- 5 addition, a purchaser of certain goods and services sold door-to-door generally has



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6 a statutory right to cancel the transaction within 3 business days, and a seller is
7 required to provide the buyer with a form for giving notice of the cancellation.
8 (NRS 598.230, 598.250)

9 This bill adopts additional provisions for the regulation of door-to-door
10 solicitors. **Section 9** of this bill requires a person who engages in the business of
11 door-to-door solicitation for commercial purposes to apply for and obtain a permit
12 from the Consumer Affairs Division of the Department of Business and Industry.
13 **Section 9** further requires each person who is the agent or employee of a permit
14 holder and engages in solicitation pursuant to that permit (a "permitted solicitor")
15 to obtain an identification badge from the Division. **Section 10** of this bill provides
16 that certain persons are not eligible for a permit or identification badge, and **section**
17 **11** of this bill establishes the process by which a permit and identification badge are
18 issued. **Section 12** of this bill requires the Division to deny an application for a
19 permit or for the renewal of a permit if the applicant or permit holder is not eligible
20 for the permit or makes any material misrepresentation in the application. **Section**
21 **13** of this bill establishes the process for renewing a permit. **Section 16** of this bill
22 requires the Division to maintain a record of each permit and identification badge it
23 issues, together with a record of any violations committed by the permit holder or
24 permitted solicitor.

25 **Sections 17-19** of this bill directly regulate the conduct of door-to-door
26 solicitation. **Section 17** requires a permitted solicitor to display his or her
27 identification badge and to exhibit the badge and the permit on request by any
28 customer, prospective customer or law enforcement officer. **Section 18** regulates
29 the hours during which commercial or noncommercial solicitation may be
30 conducted. **Section 19** makes it unlawful to engage in solicitation wherever a "no
31 solicitation" or "no trespassing" sign is posted.

32 **Section 20** of this bill requires the Division to establish and maintain a no-
33 solicitation list, whereby a person who wishes to prohibit door-to-door commercial
34 solicitation at his or her residence may register the address of the residence with the
35 Division.

36 **Section 21** of this bill authorizes the Division to take disciplinary action against
37 a permit holder or permitted solicitor on specified grounds, and **section 22** of this
38 bill provides for judicial review of any such action. **Section 23** of this bill
39 authorizes the Division to adopt regulations necessary to carry out the other
40 provisions of this bill. Unless a greater penalty is prescribed by specific statute,
41 **section 24** of this bill provides that any violation of those provisions is a
42 misdemeanor.

43 **Sections 1 and 28-46** of this bill make conforming changes to various existing
44 provisions of NRS governing trade practices and solicitation by telephone.

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

1 **Section 1.** NRS 598.135 is hereby amended to read as follows:
2 598.135 The provisions of NRS 598.136, 598.137 and 598.138
3 do not apply to:

4 1. A contest of skill that does not involve the sale or lease of
5 any goods, property or service.

6 2. A person who is licensed as a seller or salesperson pursuant
7 to ~~chapter 599B of~~ NRS ~~599B.005 to 599B.300, inclusive,~~ and
8 is engaging in an activity within the scope of that license.



1 3. A sale or purchase, or solicitation or representation made in
2 connection with the sale or purchase, of goods from a catalog or of
3 books, recordings, videocassettes, periodicals or other similar goods
4 offered by a seller or membership group which is regulated by the
5 Federal Trade Commission if the seller or membership group sends
6 goods, pursuant to an agreement, to a customer or member for his or
7 her inspection and, if unsatisfied after inspecting the goods, the
8 customer or member is entitled to receive a full refund of the
9 purchase price of the goods if the goods are returned undamaged to
10 the seller or membership group.

11 4. A solicitation, advertisement or promotion, or offer to
12 extend credit, made by a commercial bank, bank holding company,
13 subsidiary or affiliate of a bank holding company, trust company,
14 savings and loan association, credit union, industrial loan
15 company, personal property broker, consumer finance lender,
16 commercial finance lender or insurer, or any other person engaged
17 in the business of extending credit, who is regulated by an officer or
18 agency of the State or of the Federal Government.

19 5. A person licensed pursuant to chapter 463 of NRS and his or
20 her employees.

21 **Sec. 2.** Chapter 599B of NRS is hereby amended by adding
22 thereto the provisions set forth as sections 3 to 27, inclusive, of this
23 act.

24 **Sec. 3.** *As used in sections 3 to 24, inclusive, of this act,*
25 *unless the context otherwise requires, the words and terms defined*
26 *in sections 4 to 8, inclusive, of this act have the meanings ascribed*
27 *to them in those sections.*

28 **Sec. 4.** *“Door-to-door commercial solicitation” means*
29 *making or attempting to make personal contact with a person at*
30 *his or her residence, without a prior specific invitation by or*
31 *appointment with the person, primarily for the purpose of:*

32 1. *Except as otherwise provided in section 5 of this act,*
33 *soliciting the sale of a service, goods, wares or merchandise; or*

34 2. *Personally delivering to the person a handbill or flyer*
35 *advertising a commercial event, activity, good or service that is*
36 *offered to the person for purchase at a location away from the*
37 *residence or at a future time.*

38 **Sec. 5.** *“Door-to-door noncommercial solicitation” means*
39 *making or attempting to make personal contact with a person at*
40 *his or her residence, without a prior specific invitation by or*
41 *appointment with the person, primarily for the purpose of:*

42 1. *Soliciting a gift or donation to a nonprofit organization*
43 *exempt from federal income tax pursuant to 26 U.S.C. § 501(c)(3);*

44 2. *Soliciting the sale of a service, goods, wares or*
45 *merchandise, with the entire proceeds of the sale to be paid*



1 *directly to or used exclusively for the benefit of a nonprofit*
2 *organization exempt from federal income tax pursuant to 26*
3 *U.S.C. § 501(c)(3);*

4 3. *Personally delivering to the person a handbill or flyer*
5 *advertising a future not-for-profit event, activity or service;*

6 4. *Proselytizing on behalf of a religious organization;*

7 5. *Soliciting support for a political candidate or organization,*
8 *ballot measure or ideology; or*

9 6. *Soliciting the sale of a newspaper or magazine*
10 *subscription.*

11 **Sec. 6.** *“Permit holder” means a person to whom a permit*
12 *has been issued by the Division pursuant to section 11 of this act.*

13 **Sec. 7.** *“Permitted solicitor” means an agent or employee of*
14 *a permit holder who is authorized to engage in door-to-door*
15 *commercial solicitation pursuant to that permit.*

16 **Sec. 8.** *“Residence” means a private residence in this State,*
17 *including, without limitation:*

18 1. *A condominium unit or apartment; and*

19 2. *The yards, grounds or hallways thereof.*

20 **Sec. 9.** 1. *It is unlawful for any person to engage in door-*
21 *to-door commercial solicitation in this State unless the person is a*
22 *permit holder or permitted solicitor.*

23 2. *Each applicant for a permit must submit a written*
24 *application to the Division, in the form prescribed by regulation of*
25 *the Division and made under penalty of perjury. In addition to any*
26 *other information required by regulation, the application must*
27 *include or be accompanied by:*

28 (a) *The full name and business address and telephone number*
29 *of the applicant;*

30 (b) *A statement of the intended purpose of the door-to-door*
31 *commercial solicitation;*

32 (c) *If the applicant is not a natural person:*

33 (1) *A statement of the nature of the applicant as a*
34 *corporation, limited-liability company or other form of business*
35 *entity;*

36 (2) *The full name and business address and telephone*
37 *number of each principal officer, owner, member or partner of the*
38 *applicant; and*

39 (3) *The name and business address and telephone number*
40 *of the applicant’s registered agent in this State;*

41 (d) *A copy of the applicant’s state business license issued*
42 *pursuant to chapter 76 of NRS and any business license required*
43 *by the local government where the applicant will engage in door-*
44 *to-door commercial solicitation;*



1 (e) *A complete set of the fingerprints of the applicant or, if the*
2 *applicant is not a natural person, a complete set of the fingerprints*
3 *of each principal officer, owner, member and partner of the*
4 *applicant, and written permission authorizing the Division to*
5 *forward the fingerprints to the Central Repository for Nevada*
6 *Records of Criminal History for submission to the Federal Bureau*
7 *of Investigation for its report; and*

8 (f) *A list of the persons who will be authorized to act as*
9 *permitted solicitors pursuant to the permit if the application is*
10 *granted and, for each such person:*

11 (1) *His or her full name, address, telephone number and*
12 *date of birth;*

13 (2) *A complete set of the fingerprints of the person and*
14 *written permission authorizing the Division to forward the*
15 *fingerprints to the Central Repository for submission to the*
16 *Federal Bureau of Investigation for its report;*

17 (3) *A physical description of the person, including his or*
18 *her height, weight, color of eyes and color of hair;*

19 (4) *A color photograph of the person, taken not more than*
20 *6 months preceding the date of the application, which fairly*
21 *depicts the appearance of the person as of the date of the*
22 *application and is suitable for reproduction on an identification*
23 *badge issued pursuant to section 11 of this act; and*

24 (5) *The number and state of issuance of the driver's license*
25 *of the person, if any, or a copy of another form of photo*
26 *identification issued by a governmental entity.*

27 3. *The applicant must submit with the application:*

28 (a) *An application fee of \$300;*

29 (b) *For each person identified by the applicant as a person*
30 *who will be authorized to act as a permitted solicitor pursuant to*
31 *paragraph (f) of subsection 2, an additional fee of \$50 for*
32 *preparing and issuing an identification badge to that person if the*
33 *application is granted; and*

34 (c) *For each person identified pursuant to paragraphs (e) and*
35 *(f) of subsection 2, an additional fee, established by regulation of*
36 *the Division, equal to the sum charged by the Central Repository*
37 *for Nevada Records of Criminal History and the Federal Bureau*
38 *of Investigation for processing the person's fingerprints.*

39 **Sec. 10.** *A person is not eligible for a permit or identification*
40 *badge if:*

41 1. *He or she has previously been convicted of a felony or any*
42 *crime involving theft, fraud or dishonesty under the laws of this*
43 *State or an equivalent offense under any federal, state or local law*
44 *or ordinance; or*



1 2. A permit or identification badge issued to the person has
2 *previously been revoked by the Division pursuant to section 21 of*
3 *this act.*

4 **Sec. 11.** 1. *Unless the applicant is not eligible pursuant to*
5 *section 10 of this act or the Division denies the application*
6 *pursuant to section 12 of this act, the Division shall approve the*
7 *application within 5 business days after it receives the report of the*
8 *Central Repository for Nevada Records of Criminal History*
9 *relating to the applicant and each of the other persons identified*
10 *pursuant to paragraphs (e) and (f) of subsection 2 of section 9 of*
11 *this act. If the Division approves the application, the Division shall*
12 *issue the requested permit and an identification badge for each*
13 *person who is identified in the application as a person who will be*
14 *authorized to act as a permitted solicitor and who is not ineligible*
15 *pursuant to section 10 of this act.*

16 2. *A permit must be issued in the name of the applicant and is*
17 *not transferable to any other person. The Division shall create and*
18 *maintain for each permit a list of the persons who are permitted*
19 *solicitors pursuant to that permit.*

20 3. *A permit holder shall:*

21 (a) *Provide a copy of the permit to each permitted solicitor who*
22 *is authorized to engage in solicitation pursuant to the permit;*

23 (b) *Ensure that each permitted solicitor complies with the*
24 *terms and conditions of the permit and the provisions of sections 3*
25 *to 24, inclusive, of this act;*

26 (c) *Notify the Division in writing of the name of any person to*
27 *be added to or deleted from the list of persons who are permitted*
28 *solicitors pursuant to the permit; and*

29 (d) *For each person to be added to the list, submit to the*
30 *Division the information, materials and fees required for such*
31 *persons by section 9 of this act.*

32 4. *The Division shall issue an identification badge to any*
33 *person identified in a notice given pursuant to paragraph (c) of*
34 *subsection 3 as a person to be added to the list of persons who are*
35 *permitted solicitors pursuant to a permit within 5 business days*
36 *after determining that the person is not ineligible pursuant to*
37 *section 10 of this act.*

38 5. *If a person applies for and is granted a permit, he or she is*
39 *entitled to obtain an identification badge for each permitted*
40 *solicitor:*

41 (a) *Authorized to engage in solicitation pursuant to that*
42 *permit; and*

43 (b) *Who is not ineligible pursuant to section 10 of this act,*
44 *↪ upon compliance with the requirements of this section and*
45 *section 9 of this act.*



1 6. Each identification badge must include the name and a
2 photograph of the permitted solicitor, the words "Permitted
3 Solicitor" and the name of the permit holder and the expiration
4 date of the permit.

5 7. The Division shall issue a replacement identification badge
6 to any permitted solicitor who, by affidavit, notifies the Division
7 that his or her identification badge has been lost or stolen and
8 pays the fee for preparing and issuing an identification badge
9 within 5 business days after receiving the affidavit and the fee.

10 **Sec. 12.** The Division shall deny an application for a permit
11 or renewal of the permit if the Division determines that the
12 applicant or permit holder:

13 1. Has made any material misrepresentation or false
14 statement in the application for the permit or for renewal of the
15 permit; or

16 2. Is not eligible pursuant to section 10 of this act.

17 **Sec. 13.** 1. A permit is valid for 2 years after the date of its
18 issuance. Unless his or her name has previously been deleted
19 pursuant to section 11 of this act from the list of permitted
20 solicitors pursuant to the permit, the identification badge of any
21 permitted solicitor expires concurrently with the expiration of the
22 permit.

23 2. A permit holder who wishes to renew the permit must
24 submit a written application for renewal to the Division, in the
25 form prescribed by regulation of the Division, not later than 60
26 days before the date the permit expires.

27 3. An application for renewal of a permit must be made in the
28 same manner and accompanied by the same fees as an application
29 made pursuant to section 9 of this act.

30 **Sec. 14.** 1. In addition to any other requirements of
31 sections 9 and 13 of this act, a natural person who applies for a
32 permit or the renewal of a permit shall:

33 (a) Include the social security number of the applicant in the
34 application submitted to the Division.

35 (b) Submit to the Division the statement prescribed by the
36 Division of Welfare and Supportive Services of the Department of
37 Health and Human Services pursuant to NRS 425.520. The
38 statement must be completed and signed by the applicant or permit
39 holder.

40 2. The Division shall include the statement required by
41 subsection 1 in:

42 (a) The application or any other forms that must be submitted
43 for a permit or the renewal of a permit; or

44 (b) A separate form prescribed by the Division.



1 3. *A permit may not be issued or renewed by the Division if*
2 *the applicant or permit holder:*

3 (a) *Fails to submit the statement required by subsection 1; or*

4 (b) *Indicates on the statement submitted pursuant to*
5 *subsection 1 that the applicant or permit holder is subject to a*
6 *court order for the support of a child and is not in compliance*
7 *with the order or a plan approved by the district attorney or other*
8 *public agency enforcing the order for the repayment of the*
9 *amount owed pursuant to the order.*

10 4. *If an applicant or permit holder indicates on the statement*
11 *submitted pursuant to subsection 1 that he or she is subject to a*
12 *court order for the support of a child and is not in compliance*
13 *with the order or a plan approved by the district attorney or other*
14 *public agency enforcing the order for the repayment of the*
15 *amount owed pursuant to the order, the Division shall advise the*
16 *applicant or permit holder to contact the district attorney or other*
17 *public agency enforcing the order to determine the actions that the*
18 *applicant or permit holder may need to take to satisfy the*
19 *arrearage.*

20 **Sec. 15.** *1. If the Division receives a copy of a court order*
21 *issued pursuant to NRS 425.540 that provides for the suspension*
22 *of all professional, occupational and recreational licenses,*
23 *certificates and permits issued to a natural person who is a permit*
24 *holder, the Division shall deem the permit to be suspended at the*
25 *end of the 30th day after the date on which the court order was*
26 *issued unless the Division receives a letter issued to the permit*
27 *holder by the district attorney or other public agency pursuant to*
28 *NRS 425.550 stating that the permit holder has complied with the*
29 *subpoena or warrant or has satisfied the arrearage pursuant to*
30 *NRS 425.560.*

31 2. *The Division shall reinstate a permit that has been*
32 *suspended by a district court pursuant to NRS 425.540 if the*
33 *Division receives a letter issued by the district attorney or other*
34 *public agency pursuant to NRS 425.550 to the permit holder*
35 *whose permit was suspended stating that the permit holder has*
36 *complied with the subpoena or warrant or has satisfied the*
37 *arrearage pursuant to NRS 425.560.*

38 **Sec. 16.** *The Division shall maintain a record of each permit*
39 *and identification badge issued and any violation or alleged*
40 *violation by the permit holder or permitted solicitor of the*
41 *provisions of sections 3 to 24, inclusive, of this act.*

42 **Sec. 17.** *A permitted solicitor shall:*

43 1. *Conspicuously display his or her identification badge at all*
44 *times while engaged in door-to-door commercial solicitation.*



1 2. Upon the request of a customer, prospective customer or
2 law enforcement officer, exhibit his or her identification badge
3 and a copy of the permit pursuant to which he or she is acting.

4 **Sec. 18.** A person shall not engage in door-to-door
5 commercial solicitation or door-to-door noncommercial
6 solicitation except during the hours of 9 a.m. and sunset as
7 announced and published for that day by the National Weather
8 Service. Any solicitation of a customer or prospective customer
9 begun during that period must be completed within that period.

10 **Sec. 19.** It is unlawful:

11 1. For a permit holder, permitted solicitor or person engaging
12 in door-to-door noncommercial solicitation to enter or remain
13 upon any public or private premises if a "No Solicitation" or "No
14 Trespassing" sign is posted at or near each entrance to the
15 premises.

16 2. For a permit holder or permitted solicitor to engage in
17 door-to-door commercial solicitation at any address appearing on
18 the no-solicitation list established pursuant to section 20 of this
19 act.

20 3. For a person to obtain an invitation to visit a private
21 residence for the purpose of soliciting the purchase or sale of
22 goods, services or any other thing of value by knowingly making a
23 false or deceptive representation or statement.

24 **Sec. 20.** 1. An owner or lawful occupant of a residence in
25 this State who wishes to prohibit door-to-door commercial
26 solicitation at his or her residence may register the address of the
27 residence with the Division by completing and submitting to the
28 Division the form prescribed by the Division by mail, personal
29 delivery or through the Internet website maintained by the
30 Division. The registration is effective 30 days after it is received by
31 the Division.

32 2. The Division shall establish, maintain and publish on its
33 Internet website a no-solicitation list consisting of all the
34 addresses registered pursuant to subsection 1 and not deleted
35 pursuant to subsection 3. Each permit holder shall obtain and
36 review the no-solicitation list immediately upon the receipt of the
37 permit and at such intervals thereafter as are reasonably
38 necessary to comply with the requirements of section 19 of this act.

39 3. Each address appearing on the no-solicitation list must
40 remain on the list for 2 years after the date the address is
41 submitted to the Division, at which time the address must be
42 deleted unless, before the expiration of that period:

43 (a) A new registration for that address is submitted to and
44 received by the Division pursuant to subsection 1; or



1 (b) *The owner or occupant of the residence at that address*
2 *submits to the Division a written request for removal from the list.*

3 4. *Unless a written request for removal from the list has been*
4 *received by the Division before that date, the Division shall, not*
5 *later than 60 days before the expiration of the registration, mail a*
6 *written notice of the expiration to the owner or occupant who*
7 *submitted the registration, at the address appearing on the list.*

8 5. *Neither the State, the Division nor any of their officers,*
9 *employees, agents or volunteers are liable to any person for any*
10 *injury, damage or loss of any kind arising from or relating to any*
11 *error or omission that occurs in compiling or maintaining the no-*
12 *solicitation list.*

13 **Sec. 21.** 1. *After a hearing, the Division may suspend,*
14 *revoke or refuse to renew a permit if the Division determines that*
15 *the permit holder has:*

16 (a) *Made any false or fraudulent statement in applying for the*
17 *permit or renewal of the permit, including, without limitation, any*
18 *false or fraudulent statement about the criminal history of the*
19 *permit holder or a permitted solicitor;*

20 (b) *Failed to collect and pay to the Department of Taxation, as*
21 *required by law, any tax imposed on the gross receipts from the*
22 *sale, storage, use or other consumption of tangible personal*
23 *property sold by the permit holder or a permitted solicitor;*

24 (c) *Failed to exercise reasonable care in supervising*
25 *solicitation conducted by a permitted solicitor to ensure that the*
26 *solicitation is conducted in accordance with the provisions of*
27 *sections 3 to 24, inclusive, of this act and other provisions of*
28 *statute applicable to the solicitation;*

29 (d) *Violated or condoned a violation of any provision of NRS*
30 *207.171, 598.092, 598.140 to 598.2801, inclusive, 609.190,*
31 *609.221, 609.240 to 609.260, inclusive, or sections 3 to 24,*
32 *inclusive, of this act; or*

33 (e) *Authorized or condoned solicitation that is otherwise*
34 *unlawful or solicitation by a permitted solicitor conducted in such*
35 *a manner as to constitute a menace to the health, safety or general*
36 *welfare of the public.*

37 2. *After a hearing, the Division may suspend or revoke the*
38 *identification badge of a permitted solicitor who has:*

39 (a) *Violated any applicable provision listed in paragraph (d) of*
40 *subsection 1; or*

41 (b) *Otherwise engaged in unlawful solicitation or solicitation*
42 *conducted in such a manner as to constitute a menace to the*
43 *health, safety or general welfare of the public.*

44 **Sec. 22.** *Action taken by the Division to suspend, revoke or*
45 *refuse to renew a permit or identification badge pursuant to*



1 *section 21 of this act is a final decision in a contested case for the*
2 *purposes of chapter 233B of NRS.*

3 **Sec. 23.** *The Division may adopt such regulations as it deems*
4 *necessary to carry out the provisions of sections 3 to 24, inclusive,*
5 *of this act.*

6 **Sec. 24.** *In addition to any disciplinary action authorized by*
7 *section 21 of this act, unless a greater penalty is prescribed by*
8 *specific statute, a person who violates a provision of sections 3 to*
9 *24, inclusive, of this act is guilty of a misdemeanor.*

10 **Sec. 25.** *As used in this chapter, unless the context otherwise*
11 *requires, the words and terms defined in sections 26 and 27 of this*
12 *act have the meanings ascribed to them in those sections.*

13 **Sec. 26.** *“Commissioner” means the Commissioner of*
14 *Consumer Affairs.*

15 **Sec. 27.** *“Division” means the Consumer Affairs Division of*
16 *the Department of Business and Industry.*

17 **Sec. 28.** NRS 599B.005 is hereby amended to read as follows:

18 599B.005 1. The Legislature finds and declares that:

19 (a) The sale of goods or services or the solicitation of donations
20 by telephone has a significant impact upon the economy and well-
21 being of this state and its local communities.

22 (b) Many legitimate solicitors by telephone merit certain
23 protections pursuant to the laws of this state.

24 (c) Certain unscrupulous practices by persons soliciting
25 donations or the sale of goods or services by telephone are contrary
26 to good business practices and have caused consumers to suffer
27 substantial losses because of misrepresentation, the lack of complete
28 information relating to goods, services and the persons initiating or
29 causing the solicitation by telephone, and the lack of delivery of the
30 goods and services purchased.

31 2. It is the intent of the Legislature to:

32 (a) Provide each consumer with information necessary to make
33 an intelligent decision relating to donations or offers of sale;

34 (b) Educate and assist the public to distinguish between honest
35 and dishonest practices of solicitation by telephone;

36 (c) Safeguard the public against deceptive practices and
37 financial hardship;

38 (d) Prohibit representations that tend to be misleading;

39 (e) Ensure, foster and encourage competition and fair dealings
40 among sellers by requiring sellers to disclose certain information
41 adequately; and

42 (f) Protect the integrity of the industry relating to solicitation by
43 telephone.

44 3. As the provisions of ~~[this chapter]~~ *NRS 599B.005 to*
45 *599B.300, inclusive,* are necessary to protect the public welfare, it is



1 also the intent of the Legislature that the provisions of ~~§ this chapter~~
2 *those sections* be liberally construed to effectuate ~~its~~ *their*
3 purposes.

4 **Sec. 29.** NRS 599B.010 is hereby amended to read as follows:

5 599B.010 As used in ~~§ this chapter,~~ *NRS 599B.005 to*
6 *599B.300, inclusive*, unless the context otherwise requires:

7 1. "Chance promotion" means any plan in which premiums are
8 distributed by random or chance selection.

9 2. ~~§ "Commissioner" means the Commissioner of Consumer~~
10 ~~Affairs.~~

11 ~~§ 3.~~ "Consumer" means a person who is solicited by a seller or
12 salesperson.

13 ~~§ 4. "Division" means the Consumer Affairs Division of the~~
14 ~~Department of Business and Industry.~~

15 ~~§ 5.~~ 3. "Donation" means a promise, grant or pledge of money,
16 credit, property, financial assistance or other thing of value given in
17 response to a solicitation by telephone, including, but not limited to,
18 a payment or promise to pay in consideration for a performance,
19 event or sale of goods or services. The term does not include
20 volunteer services, government grants or contracts or a payment by
21 members of any organization of membership fees, dues, fines or
22 assessments or for services rendered by the organization to those
23 persons, if:

24 (a) The fees, dues, fines, assessments or services confer a bona
25 fide right, privilege, professional standing, honor or other direct
26 benefit upon the member; and

27 (b) Membership in the organization is not conferred solely in
28 consideration for making a donation in response to a solicitation.

29 ~~§ 6.~~ 4. "Goods or services" means any property, tangible or
30 intangible, real, personal or mixed, and any other article, commodity
31 or thing of value.

32 ~~§ 7.~~ 5. "Premium" includes any prize, bonus, award, gift or
33 any other similar inducement or incentive to purchase.

34 ~~§ 8.~~ 6. "Recovery service" means a business or other practice
35 whereby a person represents or implies that he or she will, for a fee,
36 recover any amount of money that a consumer has provided to a
37 seller or salesperson pursuant to a solicitation governed by the
38 provisions of ~~§ this chapter.~~

39 ~~§ 9.~~ *NRS 599B.005 to 599B.300, inclusive.*

40 7. "Salesperson" means any person:

41 (a) Employed or authorized by a seller to sell, or to attempt to
42 sell, goods or services by telephone;

43 (b) Retained by a seller to provide consulting services relating to
44 the management or operation of the seller's business; or

45 (c) Who communicates on behalf of a seller with a consumer:



1 (1) In the course of a solicitation by telephone; or
2 (2) For the purpose of verifying, changing or confirming an
3 order,

4 ↪ except that a person is not a salesperson if his or her only
5 function is to identify a consumer by name only and he or she
6 immediately refers the consumer to a salesperson.

7 ~~H0~~ 8. Except as otherwise provided in subsection ~~H1~~ 9,
8 “seller” means any person who, on his or her own behalf, causes or
9 attempts to cause a solicitation by telephone to be made through the
10 use of one or more salespersons or any automated dialing
11 announcing device under any of the following circumstances:

12 (a) The person initiates contact by telephone with a consumer
13 and represents or implies:

14 (1) That a consumer who buys one or more goods or services
15 will receive additional goods or services, whether or not of the same
16 type as purchased, without further cost, except for actual postage or
17 common carrier charges;

18 (2) That a consumer will or has a chance or opportunity to
19 receive a premium;

20 (3) That the items for sale are gold, silver or other precious
21 metals, diamonds, rubies, sapphires or other precious stones, or any
22 interest in oil, gas or mineral fields, wells or exploration sites or any
23 other investment opportunity;

24 (4) That the product offered for sale is information or
25 opinions relating to sporting events;

26 (5) That the product offered for sale is the services of a
27 recovery service; or

28 (6) That the consumer will receive a premium or goods or
29 services if he or she makes a donation;

30 (b) The solicitation by telephone is made by the person in
31 response to inquiries from a consumer generated by a notification or
32 communication sent or delivered to the consumer that represents or
33 implies:

34 (1) That the consumer has been in any manner specially
35 selected to receive the notification or communication or the offer
36 contained in the notification or communication;

37 (2) That the consumer will receive a premium if the recipient
38 calls the person;

39 (3) That if the consumer buys one or more goods or services
40 from the person, the consumer will also receive additional or other
41 goods or services, whether or not the same type as purchased,
42 without further cost or at a cost that the person represents or implies
43 is less than the regular price of the goods or services;

44 (4) That the product offered for sale is the services of a
45 recovery service; or



1 (5) That the consumer will receive a premium or goods or
2 services if he or she makes a donation; or

3 (c) The solicitation by telephone is made by the person in
4 response to inquiries generated by advertisements that represent or
5 imply that the person is offering to sell any:

6 (1) Gold, silver or other metals, including coins, diamonds,
7 rubies, sapphires or other stones, coal or other minerals or any
8 interest in oil, gas or other mineral fields, wells or exploration sites,
9 or any other investment opportunity;

10 (2) Information or opinions relating to sporting events; or

11 (3) Services of a recovery service.

12 ~~HHH~~ 9. "Seller" does not include:

13 (a) A person licensed pursuant to chapter 90 of NRS when
14 soliciting offers, sales or purchases within the scope of his or her
15 license.

16 (b) A person licensed pursuant to chapter 119A, 119B, 624, 645
17 or 696A of NRS when soliciting sales within the scope of his or her
18 license.

19 (c) A person licensed as an insurance broker, agent or solicitor
20 when soliciting sales within the scope of his or her license.

21 (d) Any solicitation of sales made by the publisher of a
22 newspaper or magazine or by an agent of the publisher pursuant to a
23 written agreement between the agent and publisher.

24 (e) A broadcaster soliciting sales who is licensed by any state or
25 federal authority, if the solicitation is within the scope of the
26 broadcaster's license.

27 (f) A person who solicits a donation from a consumer when:

28 (1) The person represents or implies that the consumer will
29 receive a premium or goods or services with an aggregated fair
30 market value of 2 percent of the donation or \$50, whichever is less;
31 or

32 (2) The consumer provides a donation of \$50 or less in
33 response to the solicitation.

34 (g) A charitable organization which is registered or approved to
35 conduct a lottery pursuant to chapter 462 of NRS.

36 (h) A public utility or motor carrier which is regulated pursuant
37 to chapter 704 or 706 of NRS, or by an affiliate of such a utility or
38 motor carrier, if the solicitation is within the scope of its certificate
39 or license.

40 (i) A utility which is regulated pursuant to chapter 710 of NRS,
41 or by an affiliate of such a utility.

42 (j) A person soliciting the sale of books, recordings,
43 videocassettes, software for computer systems or similar items
44 through:



1 (1) An organization whose method of sales is governed by
2 the provisions of Part 425 of Title 16 of the Code of Federal
3 Regulations relating to the use of negative option plans by sellers in
4 commerce;

5 (2) The use of continuity plans, subscription arrangements,
6 arrangements for standing orders, supplements, and series
7 arrangements pursuant to which the person periodically ships
8 merchandise to a consumer who has consented in advance to receive
9 the merchandise on a periodic basis and has the opportunity to
10 review the merchandise for at least 10 days and return it for a full
11 refund within 30 days after it is received; or

12 (3) An arrangement pursuant to which the person ships
13 merchandise to a consumer who has consented in advance to receive
14 the merchandise and has the opportunity to review the merchandise
15 for at least 10 days and return it for a full refund within 30 days after
16 it is received.

17 (k) A person who solicits sales by periodically publishing and
18 delivering a catalog to consumers if the catalog:

19 (1) Contains a written description or illustration of each item
20 offered for sale and the price of each item;

21 (2) Includes the business address of the person;

22 (3) Includes at least 24 pages of written material and
23 illustrations;

24 (4) Is distributed in more than one state; and

25 (5) Has an annual circulation by mailing of not less than
26 250,000.

27 (l) A person soliciting without the intent to complete and who
28 does not complete, the sales transaction by telephone but completes
29 the sales transaction at a later face-to-face meeting between the
30 solicitor and the consumer, if the person, after soliciting a sale by
31 telephone, does not cause another person to collect the payment
32 from or deliver any goods or services purchased to the consumer.

33 (m) Any commercial bank, bank holding company, subsidiary or
34 affiliate of a bank holding company, trust company, savings and
35 loan association, credit union, industrial loan company, personal
36 property broker, consumer finance lender, commercial finance
37 lender, or insurer subject to regulation by an official or agency of
38 this State or of the United States, if the solicitation is within the
39 scope of the certificate or license held by the entity.

40 (n) A person holding a certificate of authority issued pursuant to
41 chapter 452 of NRS when soliciting sales within the scope of the
42 certificate.

43 (o) A person licensed pursuant to chapter 689 of NRS when
44 soliciting sales within the scope of his or her license.



1 (p) A person soliciting the sale of services provided by a video
2 service provider subject to regulation pursuant to chapter 711 of
3 NRS.

4 (q) A person soliciting the sale of agricultural products, if the
5 solicitation is not intended to and does not result in a sale of more
6 than \$100 that is to be delivered to one address. As used in this
7 paragraph, "agricultural products" has the meaning ascribed to it in
8 NRS 587.290.

9 (r) A person who has been operating, for at least 2 years, a retail
10 business establishment under the same name as that used in
11 connection with the solicitation of sales by telephone if, on a
12 continuing basis:

13 (1) Goods are displayed and offered for sale or services are
14 offered for sale and provided at the person's business establishment;
15 and

16 (2) At least 50 percent of the person's business involves the
17 buyer obtaining such goods or services at the person's business
18 establishment.

19 (s) A person soliciting only the sale of telephone answering
20 services to be provided by the person or his or her employer.

21 (t) A person soliciting a transaction regulated by the Commodity
22 Futures Trading Commission, if:

23 (1) The person is registered with or temporarily licensed by
24 the Commission to conduct that activity pursuant to the Commodity
25 Exchange Act, 7 U.S.C. §§ 1 et seq.; and

26 (2) The registration or license has not expired or been
27 suspended or revoked.

28 (u) A person who contracts for the maintenance or repair of
29 goods previously purchased from the person:

30 (1) Making the solicitation; or

31 (2) On whose behalf the solicitation is made.

32 (v) A person to whom a license to operate an information
33 service or a nonrestricted gaming license, which is current and valid,
34 has been issued pursuant to chapter 463 of NRS when soliciting
35 sales within the scope of his or her license.

36 (w) A person who solicits a previous customer of the business
37 on whose behalf the call is made if the person making the call:

38 (1) Does not offer the customer any premium in connection
39 with the sale;

40 (2) Is not selling an investment or an opportunity for an
41 investment that is not registered with any state or federal authority;
42 and

43 (3) Is not regularly engaged in telephone sales.

44 (x) A person who solicits the sale of livestock.



1 (y) An issuer which has a class of securities that is listed on the
2 New York Stock Exchange, the American Stock Exchange or the
3 National Market System of the National Association of Securities
4 Dealers Automated Quotation System.

5 (z) A subsidiary of an issuer that qualifies for exemption
6 pursuant to paragraph (y) if at least 60 percent of the voting power
7 of the shares of the subsidiary is owned by the issuer.

8 **Sec. 30.** NRS 599B.015 is hereby amended to read as follows:

9 599B.015 1. The Attorney General shall provide opinions for
10 the Division on all questions of law relating to the construction,
11 interpretation or administration of ~~this chapter.~~ *NRS 599B.005 to*
12 *599B.300, inclusive.*

13 2. The Commissioner shall determine whether a person is
14 required to register pursuant to the provisions of ~~this chapter.~~ *NRS*
15 *599B.005 to 599B.300, inclusive.* In making that determination, the
16 Commissioner shall consider the definitions, intent, findings and
17 declarations set forth in ~~this chapter.~~ *NRS 599B.005 to 599B.300,*
18 *inclusive.*

19 **Sec. 31.** NRS 599B.025 is hereby amended to read as follows:

20 599B.025 1. The Attorney General may adopt regulations
21 establishing standards of conduct for registrants and any other
22 regulations necessary to exercise the powers and carry out the duties
23 of the Attorney General as set forth in ~~this chapter.~~ *NRS 599B.005*
24 *to 599B.300, inclusive.*

25 2. The Commissioner and the Attorney General shall jointly
26 adopt rules of practice establishing a procedure for processing
27 complaints received concerning sellers and salespersons, whether or
28 not the sellers and salespersons are registered pursuant to ~~this~~
29 ~~chapter.~~ *NRS 599B.005 to 599B.300, inclusive.* The rules of
30 practice:

31 (a) Must provide for the sharing of information and for the
32 initial review of complaints by the Attorney General before
33 mediation by the Commissioner; and

34 (b) May provide procedures for mediation by the Commissioner
35 after initial review by the Attorney General.

36 3. The Commissioner may adopt rules of practice necessary to
37 administer and carry out the provisions of ~~this chapter.~~ *NRS*
38 *599B.005 to 599B.300, inclusive,* pertaining to the registration of
39 sellers and salespersons. The rules of practice must not restrict the
40 powers and duties of the Attorney General as set forth in ~~this~~
41 ~~chapter.~~ *those sections.*

42 **Sec. 32.** NRS 599B.030 is hereby amended to read as follows:

43 599B.030 The remedies, duties and prohibitions of ~~this~~
44 ~~chapter.~~ *NRS 599B.005 to 599B.300, inclusive,* are not exclusive
45 and are in addition to any other remedies provided by law.



1 **Sec. 33.** NRS 599B.080 is hereby amended to read as follows:

2 599B.080 It is unlawful for any person to do business as a
3 seller or salesperson in this State without being registered with the
4 Division pursuant to the provisions of ~~this chapter.~~ **NRS 599B.005**
5 **to 599B.300, inclusive.** For the purposes of this section, a person
6 does business as a seller or salesperson in this State if he or she
7 solicits or causes to be solicited a sale of goods or services or a
8 donation from a location in this State or solicits persons in this State
9 from a location outside this State.

10 **Sec. 34.** NRS 599B.100 is hereby amended to read as follows:

11 599B.100 1. An application filed pursuant to NRS 599B.090
12 must be accompanied by:

13 (a) A bond executed by a corporate surety approved by the
14 Commissioner and licensed to do business in this state;

15 (b) An irrevocable letter of credit issued for the benefit of the
16 applicant by a bank whose deposits are insured by an agency of the
17 Federal Government; or

18 (c) A certificate of deposit in a financial institution insured by
19 an agency of the Federal Government or by a private insurer
20 approved pursuant to NRS 678.755. The certificate of deposit may
21 be withdrawn only on the order of the Commissioner, except that
22 the interest may accrue to the applicant.

23 2. The amount of the bond, letter of credit or certificate of
24 deposit must be \$50,000, and the bond, letter of credit or certificate
25 of deposit must be conditioned upon compliance by the applicant
26 with the provisions of ~~this chapter.~~ **NRS 599B.005 to 599B.300,**
27 **inclusive.**

28 3. The amount of the security required to be filed by the seller
29 may be increased to not more than \$250,000 as part of an assurance
30 of discontinuance accepted by the Attorney General pursuant to
31 NRS 599B.235.

32 4. If, after a registration certificate is issued, the amount of the
33 bond, letter of credit or certificate of deposit which secures the
34 registration falls below the amount that is required by subsection 2
35 or the amount determined by the Commissioner pursuant to
36 subsection 3, the seller shall be deemed not to be registered pursuant
37 to ~~this chapter.~~ **NRS 599B.005 to 599B.300, inclusive,** for the
38 purposes of NRS 599B.080.

39 5. The term of any bond, letter of credit or certificate of
40 deposit, or any renewal thereof, must not be less than 1 year.

41 6. The Commissioner may reject any bond, letter of credit or
42 certificate of deposit which fails to conform to the requirements of
43 this section.

44 7. A seller may change the form of the security. If a seller
45 changes the form of the security, the Commissioner may retain for



1 not more than 1 year all or a portion of the security previously filed
2 by the seller as security for claims arising at the time the security
3 was in effect.

4 8. If no claims have been filed against the bond, letter of credit
5 or certificate of deposit within 6 months after the registrant ceases to
6 operate or his or her registration expires, whichever occurs later, the
7 Commissioner shall release the bond, letter of credit or certificate of
8 deposit to the registrant and shall not audit any claims filed
9 thereafter by consumers. If one or more claims have been filed
10 against the bond, letter of credit or certificate of deposit within 6
11 months after the registrant ceases to operate or his or her registration
12 expires, whichever occurs later, the proceeds must not be released to
13 the registrant or distributed to any consumer earlier than 1 year after
14 the registrant ceases to operate or his or her registration expires,
15 whichever occurs later. The Division shall not audit any claims
16 which are filed pursuant to NRS 599B.105 more than 1 year after
17 the registrant ceases to operate or his or her registration expires,
18 whichever occurs later. For the purposes of this subsection, the
19 Commissioner shall determine the date on which a registrant ceases
20 to operate.

21 **Sec. 35.** NRS 599B.140 is hereby amended to read as follows:

22 599B.140 1. Each person registered pursuant to the
23 provisions of ~~this chapter~~ *NRS 599B.005 to 599B.300, inclusive*,
24 must renew his or her registration annually by:

25 (a) Paying the fee for registration;

26 (b) Submitting to the Division the application required by NRS
27 599B.090 or 599B.120, whichever applies; and

28 (c) If the person is a seller, submitting to the Division:

29 (1) A copy of the work card obtained by:

30 (I) The seller pursuant to subsection 1 of NRS 599B.115;

31 and

32 (II) Each principal officer, director, trustee, shareholder,
33 owner, partner and employee of the seller, and each salesperson
34 associated with the seller who is not an employee of the seller,
35 pursuant to subsection 2 of NRS 599B.115; and

36 (2) If applicable, a statement listing each person who,
37 pursuant to subsection 5 of NRS 599B.115, is not required to obtain
38 a work card.

39 2. Registration expires on the anniversary of the issuance of the
40 registration. A registrant who wishes to renew his or her registration
41 must do so on or before the date his or her registration expires.

42 3. For the purposes of NRS 599B.080, a person who fails to
43 renew his or her registration within the time required by this section
44 is not registered pursuant to ~~this chapter~~ *NRS 599B.005 to*
45 *599B.300, inclusive*.



1 4. Except as otherwise provided in NRS 599B.160, if any
2 material change in the information submitted for registration occurs
3 before the date for renewal, a registrant shall submit that
4 information to the Division within 10 days after the registrant
5 obtains knowledge of the change.

6 **Sec. 36.** NRS 599B.150 is hereby amended to read as follows:

7 599B.150 1. No salesperson may be associated with or
8 employed by more than one seller at the same time.

9 2. A seller shall cooperate fully with the Commissioner in any
10 investigation made by the Commissioner concerning an alleged
11 violation of the provisions of ~~{this chapter}~~ **NRS 599B.005 to**
12 **599B.300, inclusive**, by a salesperson.

13 **Sec. 37.** NRS 599B.190 is hereby amended to read as follows:

14 599B.190 1. Except as otherwise provided in subsection 3, a
15 person who purchases goods or services or makes a donation
16 pursuant to a solicitation governed by ~~{this chapter}~~ **NRS 599B.005**
17 **to 599B.300, inclusive**, must be given a refund or replacement, at
18 his or her option, if:

19 (a) The goods or services are defective, are not as represented or
20 if any item described pursuant to NRS 599B.180 is not received as
21 promised; and

22 (b) He or she returns the unused goods, if any, or makes a
23 written request for the refund or replacement within 30 days after he
24 or she receives:

25 (1) The goods or services; or

26 (2) Any item described pursuant to NRS 599B.180,

27 ↪ whichever is received later. A return or request is timely if
28 shipment is made or the request is postmarked, properly addressed
29 and postage prepaid, within the time provided by this paragraph.

30 2. A registrant who receives a written request for a refund or
31 replacement shall not require prior authorization for a return of
32 goods and shall give a refund or replacement within 14 days after
33 receipt of the request.

34 3. If a consumer of goods returns only a portion of the goods,
35 the refund or replacement required by subsection 1 may be prorated
36 accordingly.

37 4. The refund or replacement required by subsection 1 must be
38 given by the seller, regardless of whether payment for the goods or
39 services is made to the seller or some other person.

40 5. Except for any proration permitted by subsection 3, a
41 registrant shall not impose any charge in connection with a return of
42 goods or a request for a refund or replacement.

43 6. If a registrant receives payment by credit card, he or she may
44 issue a refund in the form of a credit to the credit card account of the
45 consumer in lieu of a cash refund.



1 7. Within 3 days after any purchase of goods or services or
2 upon delivery of the goods or services, whichever is later, or within
3 3 days after receiving a donation, the seller shall provide the
4 consumer with a written summary of the provisions of this section.

5 The summary must:

6 (a) Be made in a form prescribed by the Division.

7 (b) Include the address to which returned goods or a request for
8 refund may be sent.

9 (c) Be accompanied by a statement containing the information
10 required by paragraph (e) of subsection 1 of NRS 599B.180, if the
11 provisions of that section apply.

12 (d) If the provisions of paragraph (c) of subsection 2 of NRS
13 599B.180 apply, be accompanied by a statement concerning the
14 number of persons who have, during the 12 months preceding the
15 solicitation or any portion thereof in which the seller has done
16 business, received the item having the greatest value and the item
17 with the smallest odds of being received.

18 ➤ A summary is timely if it is postmarked, properly addressed and
19 postage prepaid, within the time provided by this subsection.

20 **Sec. 38.** NRS 599B.200 is hereby amended to read as follows:

21 599B.200 A salesperson or seller shall not disclose the name or
22 address of any person who purchases goods or services pursuant to a
23 solicitation governed by ~~[this chapter.]~~ *NRS 599B.005 to 599B.300,*
24 *inclusive.* Nothing in this section prohibits the disclosure of this
25 information to:

- 26 1. Any person employed by or associated with the seller;
- 27 2. The Commissioner or any employee of the Division; or
- 28 3. Any law enforcement officer or agency that requires the
29 information for investigative purposes.

30 **Sec. 39.** NRS 599B.210 is hereby amended to read as follows:

31 599B.210 1. Every registrant, other than a registrant
32 incorporated in this state, shall file with the Secretary of State an
33 irrevocable consent appointing the Secretary of State as his or her
34 agent to receive service of any lawful process in any action or
35 proceeding against him or her arising pursuant to ~~[this chapter.]~~
36 *NRS 599B.005 to 599B.300, inclusive.* Any lawful process against
37 the registrant served upon the Secretary of State as provided in
38 subsection 2 has the same force and validity as if served upon the
39 registrant personally.

40 2. Service of process authorized by subsection 1 must be made
41 by filing with the Secretary of State:

42 (a) Two copies of the process. The copies must include a
43 specific citation to the provisions of this section. The Secretary of
44 State may refuse to accept such service if the proper citation is not
45 included in each copy.



1 (b) A fee of \$10.

2 ➔ The Secretary of State shall forthwith forward one copy of the
3 process by registered or certified mail prepaid to the registrant, or in
4 the case of a registrant organized under the laws of a foreign
5 government, to the United States manager or last appointed United
6 States general agent of the registrant, giving the day and the hour of
7 the service.

8 3. Service of process is not complete until the copy thereof has
9 been mailed and received by the registrant, and the receipt of the
10 addressee is prima facie evidence of the completion of the service.

11 4. If service of summons is made upon the Secretary of State in
12 accordance with the provisions of this section, the time within which
13 the registrant is required to appear is extended 10 days.

14 **Sec. 40.** NRS 599B.213 is hereby amended to read as follows:

15 599B.213 1. The Attorney General has primary jurisdiction
16 to investigate and prosecute violations of ~~this chapter~~ *NRS*
17 *599B.005 to 599B.300, inclusive*, and any fraud involving
18 solicitation by telephone.

19 2. When acting pursuant to this section, the Attorney General
20 may commence his or her investigation and file a criminal action
21 without leave of court, and he or she has exclusive charge of the
22 conduct of the prosecution.

23 **Sec. 41.** NRS 599B.215 is hereby amended to read as follows:

24 599B.215 1. The Attorney General may conduct an
25 investigation to determine whether a person, either directly or
26 indirectly, has violated, is violating or is about to violate any of the
27 provisions of ~~this chapter~~ *NRS 599B.005 to 599B.300, inclusive*,
28 or any regulation adopted pursuant thereto.

29 2. If the Attorney General has reason to believe that any
30 person, either directly or indirectly, has violated, is violating or is
31 about to violate any of the provisions of ~~this chapter~~ *NRS*
32 *599B.005 to 599B.300, inclusive*, or any regulation adopted
33 pursuant thereto, the Attorney General may:

34 (a) Issue a subpoena to require the testimony of any person;

35 (b) Issue a subpoena to require the production of any
36 documents; or

37 (c) Administer an oath or affirmation to any person providing
38 testimony pursuant to a subpoena.

39 3. A subpoena issued pursuant to subsection 2 must be served
40 in the manner provided in the Nevada Rules of Civil Procedure.

41 **Sec. 42.** NRS 599B.235 is hereby amended to read as follows:

42 599B.235 1. The Attorney General may accept an assurance
43 of discontinuance of any violation of the provisions of ~~this chapter~~
44 *NRS 599B.005 to 599B.300, inclusive*, or any regulation adopted
45 pursuant thereto. The assurance may include a stipulation for the



1 payment of money to this state by the alleged violator, including but
2 not limited to, payment for the costs of investigation, for the costs of
3 instituting the action or proceeding and for the restitution of any
4 money or property acquired as a result of the violation.

5 2. Proof by a preponderance of evidence of a violation of an
6 assurance given pursuant to subsection 1 constitutes prima facie
7 evidence of a violation of the applicable statutes or regulations for
8 the purpose of any civil action or proceeding brought thereafter by
9 the Attorney General, whether the action or proceeding is a new
10 action or a subsequent motion or petition in a pending action or
11 proceeding.

12 **Sec. 43.** NRS 599B.245 is hereby amended to read as follows:

13 599B.245 1. If the Attorney General has reason to believe
14 that a person, either directly or indirectly, has violated, is violating
15 or is about to violate any of the provisions of ~~{this chapter}~~ *NRS*
16 *599B.005 to 599B.300, inclusive*, or any regulation adopted
17 pursuant thereto, he or she may institute an appropriate legal
18 proceeding against the person. The district court, upon a showing
19 that the person, either directly or indirectly, has violated, is violating
20 or is about to violate any of the provisions of ~~{this chapter}~~ *NRS*
21 *599B.005 to 599B.300, inclusive*, or any regulation adopted
22 pursuant thereto, may grant the following remedies, as appropriate:

23 (a) Issue a temporary or permanent injunction;

24 (b) Impose a civil penalty not to exceed \$5,000 for each
25 violation;

26 (c) Issue a declaratory judgment;

27 (d) Order restitution for consumers;

28 (e) Provide for the appointment of a receiver;

29 (f) Order the payment of attorney's fees and costs; and

30 (g) Order such other relief as the court deems just.

31 2. Any person who violates a court order or injunction issued
32 pursuant to subsection 1 shall, upon a complaint brought by the
33 Attorney General, pay a civil penalty of not more than \$50,000 for
34 each violation.

35 **Sec. 44.** NRS 599B.255 is hereby amended to read as follows:

36 599B.255 1. Except as otherwise provided in NRS 599B.213,
37 the Attorney General or the district attorney of any county in this
38 state may prosecute a person who willfully violates, either directly
39 or indirectly, the provisions of ~~{this chapter}~~ *NRS 599B.005 to*
40 *599B.300, inclusive*. Except as otherwise provided in subsection 3,
41 such a person:

42 (a) For the first offense within 10 years, is guilty of a
43 misdemeanor.

44 (b) For the second offense within 10 years, is guilty of a gross
45 misdemeanor.



1 (c) For the third and all subsequent offenses within 10 years, is
2 guilty of a category D felony and shall be punished as provided in
3 NRS 193.130, or by a fine of not more than \$50,000, or by both fine
4 and the punishment provided in NRS 193.130.

5 2. Any offense which occurs within 10 years immediately
6 preceding the date of the principal offense or after the principal
7 offense constitutes a prior offense for the purposes of subsection 1
8 when evidenced by a conviction, without regard to the sequence of
9 the offenses and convictions.

10 3. A person who violates any provision of NRS 599B.080 is
11 guilty of a category D felony and shall be punished as provided in
12 NRS 193.130, or by a fine of not more than \$50,000, or by both fine
13 and the punishment provided in NRS 193.130.

14 4. Property or proceeds attributable to any violation pursuant to
15 the provisions of this section are subject to forfeiture in the manner
16 provided by NRS 179.1156 to 179.121, inclusive.

17 **Sec. 45.** NRS 599B.260 is hereby amended to read as follows:

18 599B.260 1. Except as otherwise provided in subsection 2,
19 all fees, civil penalties and any other money collected pursuant to
20 ~~this chapter~~ *NRS 599B.005 to 599B.300, inclusive*, in an action
21 brought by the Attorney General must be deposited in the State
22 General Fund and may only be used to defray the costs of:

23 (a) Administering and enforcing the provisions of ~~this chapter.~~
24 *NRS 599B.005 to 599B.300, inclusive.*

25 (b) Enforcing the provisions of chapter 598 of NRS as they
26 relate to the conduct of sellers and salespersons, whether or not the
27 sellers and salespersons are registered pursuant to ~~this chapter.~~
28 *NRS 599B.005 to 599B.300, inclusive.*

29 2. The provisions of this section do not apply to:

30 (a) Criminal fines imposed pursuant to the provisions of ~~this~~
31 ~~chapter.~~ *NRS 599B.005 to 599B.300, inclusive;* or

32 (b) Restitution ordered in an action brought by the Attorney
33 General pursuant to the provisions of ~~this chapter.~~ *NRS 599B.005*
34 *to 599B.300, inclusive.* Money collected for restitution ordered in
35 such an action must be deposited by the Attorney General and
36 credited to the appropriate account of the Division or the Attorney
37 General for distribution to the person for whom the restitution was
38 ordered.

39 **Sec. 46.** NRS 228.380 is hereby amended to read as follows:

40 228.380 1. Except as otherwise provided in this section, the
41 Consumer's Advocate may exercise the power of the Attorney
42 General in areas of consumer protection, including, but not limited
43 to, enforcement of chapters 90, 597, 598, 598A, 598B, 598C ~~†~~
44 ~~599B~~ *of NRS, NRS 599B.005 to 599B.300, inclusive,* and *chapter*
45 *711 of NRS.*



1 2. The Consumer's Advocate may not exercise any powers to
2 enforce any criminal statute set forth in:

3 (a) Chapter 90, 597, 598, 598A, 598B ~~††~~ or 598C ~~†or 599B†~~ of
4 NRS *or NRS 599B.005 to 599B.300, inclusive*, for any transaction
5 or activity that involves a proceeding before the Public Utilities
6 Commission of Nevada if the Consumer's Advocate is participating
7 in that proceeding as a real party in interest on behalf of the
8 customers or a class of customers of utilities; or

9 (b) Chapter 711 of NRS.

10 3. The Consumer's Advocate may expend revenues derived
11 from NRS 704.033 only for activities directly related to the
12 protection of customers of public utilities.

13 4. The powers of the Consumer's Advocate do not extend to
14 proceedings before the Public Utilities Commission of Nevada
15 directly relating to discretionary or competitive telecommunication
16 services.

17 **Sec. 47.** 1. This act becomes effective on July 1, 2014.

18 2. Sections 14 and 15 of this act expire by limitation on the
19 date on which the provisions of 42 U.S.C. § 666 requiring each state
20 to establish procedures under which the state has authority to
21 withhold or suspend, or to restrict the use of professional,
22 occupational and recreational licenses of persons who:

23 (a) Have failed to comply with a subpoena or warrant relating to
24 a proceeding to determine the paternity of a child or to establish or
25 enforce an obligation for the support of a child; or

26 (b) Are in arrears for the payment for the support of one or more
27 children,

28 ➔ are repealed by the Congress of the United States.

