

MINUTES OF THE  
MEETING OF THE SENATE COMMITTEE  
ON JUDICIARY

SIXTY-FIRST SESSION  
NEVADA STATE LEGISLATURE  
May 24, 1981

The Senate Committee on Judiciary was called to order by Chairman Melvin D. Close at 9:10 a.m. , Sunday, May 24, 1981, in Room 213 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator Melvin D. Close, Chairman  
Senator Keith Ashworth, Vice Chairman  
Senator Don W. Ashworth  
Senator William J. Raggio  
Senator Jean Ford  
Senator William H. Hernstadt  
Senator Sue Wagner

STAFF MEMBER PRESENT:

Shirley LaBadie, Committee Secretary

ASSEMBLY BILL NO. 68--Increases statutory rate for interest on judgments from 8 to 12 percent.

The committee discussed A. B. No. 68 and a similar bill, S. B. No. 436 with the following motion.

Senator Raggio moved to amend A. B. No. 68 to conform with the provisions of S. B. No. 436 and do Pass.

Senator Wagner seconded the motion.

The motion carried. Senator Don Ashworth and Hernstadt were absent for the vote.

ASSEMBLY BILL NO. 157--Requires report of abuse and neglect of older person and provides penalty therefor.

Senator Ford advised the committee she had additional information regarding A. B. No. 157. See Exhibit C attached hereto. The committee reviewed the bill however agreed to hold it for some legal advise from the counsel bureau.

SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

SENATE BILL NO. 684--Allows corporation listed on foreign securities exchange to register with gaming commission as publicly traded corporation under certain circumstances.

Ms. Patty Becker, Deputy Attorney General, Gaming Division, stated she would like the bill brought back to the committee. The chairman asked for a motion.

Senator Raggo moved to return the bill to the committee for further review.

Senator Keith Ashworth seconded the motion.

The motion carried. (Senators Hernstadt and Don Ashworth were absent for the vote.)

Senator Wagner stated if there was a motion to indefinitely postpone the bill when it comes back to committee, she may not vote for it. However she was concerned with the testimony originally on the bill, it was not straight forward from the gaming people. She had asked them their feelings on the bill and she got a vague answer and she would have preferred them to be more honest.

ASSEMBLY BILL NO. 269-- Permits district attorney to refer person suspected of child abuse or neglect to social agency for treatment or counseling.

Senator Wagner stated she was not convinced that all the agencies were doing as good a job as people think they are. She agreed with the concept of the bill however. Senator Raggio said a district attorney can do this now. He did not feel there was a need to put this in the law.

Senator Ford moved to amend and do Pass A. B. No. 269.

Senator Wagner seconded the motion.

The motion failed. (Senator Ford, Wagner and Keith Ashworth voted for the motion. Senators Raggio and Close voted against the motion. Senators Hernstadt and Don Ashworth were absent for the vote.)

ASSEMBLY BILL No. 255--Reduces period required for sale of goods in storage to satisfy liens. (Exhibit F)

The committee reviewed A. B. No. 255 and the amendments which were done on the original bill. The following action was taken.

SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

ASSEMBLY BILL NO. 255

Senator Keith Ashworth moved to do Pass A. B. No. 255.

Senator Wagner seconded the motion.

The motion carried. (Senators Hernstadt and Don Ashworth were absent for the vote.)

ASSEMBLY BILL NO. 336--Requires standard form to record convictions and permits use of form to prove prior convictions. (Exhibit G)

Committee discussion resulted in the following motion.

Senator Ford moved to amend and do Pass A. B. No. 336.

Senator Raggio seconded the motion.

The motion carried. (Senators Hernstadt and Don Ashworth were absent for the vote.)

ASSEMBLY BILL NO. 432--Makes various revisions to law governing mobile home parks.

The committee review the bill and made some suggestions for possible amendments.

Discussion resulted in the deletion of equal an in Section 2 subsection (a). In Section (b) line 12, increase the notice of an increase in rents from 60 to 90 days.

The committee reviewed the requirement on line 15 that the landlord shall not require a tenant to pay his rent by check.

Discussion followed on Section 2 which says the tenant may not prohibit or require deposits for any meeting held in the park's community or recreation facility. It was decided by the committee to change the language to the effect that it would not exceed the minimum fee or deposits.

Section 2, subsection 5 was discussed. The committee felt that the word quest should be defined and a stay should be limited to 30 days.

The committee reviewed the language on lines 19 through 25, page 2. The committee felt the existing language was appropriate and should be retained, rather than the proposed language.

SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

Section 4 was reviewed with no additional changes requested.

In Section 5, discussion by the committee resulted in the word comparable being removed from all paragraphs. In subsection 2, the committee decided to change the word elects to is required.

The committee adjourned for the session downstairs at 11:00 a.m.

The committee reconvened at 1:45 for further review of A. B. No. 432.

With regard to Section 5, subsection 2, Chairman Close advised the committee all problems would be solved by changing the time period from nine months to thirty days and that it be put in writing.

Line 7 of subsection 2 was discussed and it was agreed to put a period after park and delete the rest of the sentence.

Discussion of Section 5, subsection 3, resulted in a committee decision to delete the first sentence. In the second sentence, wording should be added to read are being or have been changed this would appear on line 11 after the word being.

Section 6 was discussed with remarks from Mr. David Hoy. He said he had some technical problems with the language. He advised the committee that he is presently involved with litigation involving a conversion of a mobile home park. He represents the landlord and some of his remarks may related to this. The proposed bill says fifteen days notice must be given before he appears before a local zoning board, planning commission or governing body. The bill puts a notice on the landlord if he does not do so, then he is subject to a misdemeanor. It should be clear that one notice is sufficient. Another problem is when the bill is reviewed, the question arises of what is notice and how is it served. He suggested it should be clarified as to how notice should be served. The committee discussed this section and suggested language be added as follows: the first appearance before an appropriate governing body. Discussion of the committee on notification followed. It was decided it could be done by personal service, first class mail or certified mail.

Mr. Hoy stated there is an inconsistency between Section 6 and Section 17 because the bill retains the language under subparagraph 5 which changes the land use in a mobile home park. He felt a change of land use should not require a zoning change. He felt subsection 5 should be deleted and substitute 6 or change 6 to make it parallel to subsection 5.

SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

The committee suggested on line 23, page 2 that notice be given on each application and make the time period within five days.

Senator Ford suggested that subsection (b) is not good. It was decided to remove this section. Line 33 would be changed to reflect the language in subsection 2.

There was discussion on Section 4 and the feeling of the committee was that the nine months period was too long. It was decided to change it to three months from the date of notice. The committee decided to delete the last sentence starting on line 39.

Mr. Hoy stated there were still two technical problems with that section. It conflicts with lines 9 through 11 on page 9. The other problem had not been solved if a person wants to go out of business and change it to a use which does require improvement. Chairman Close advised him this would be handled on page 9 when the committee gets to that section.

Section 8 was discussed by the committee and it was suggested to delete all of section 8. It was suggested that Frank Daykin be consulted and maybe possibly repeal it.

Discussion of Section 9, line 43, it was decided to add language that would say any deposits or fees charged for the use of the facility. Subsection 3 should be deleted.

Section 10 was decided to be completely eliminated.

Section 11 was changed to make it effective 90 days after the effective day of the passage of NRS. The attorneys do not get the amended provision of NRS until quite a while after it has been passed and printed.

Section 12 was discussed and it was decided to delete lines 44 through 46 which is the last sentence of subsection 3.

Section 14 was reviewed. The brackets were deleted in subsection (c). Committee discussion resulted in the deletion of subsection 6. Chairman Close said he would check with the bill drafters on the changes on deleting the brackets. Subsection 7 was deleted.

Discussion of Section 15 resulted in the deletion of the language on lines 12 through 17.

Section 16 was discussed and the decision was made that it must conform to the time period of 90 days which was changed in Section 6.

SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

Regarding Section 16, subsection 4, the committee decided to delete the brackets in the reprint of the bill.

Section 17 was discussed and a language change was requested. There is an inconsistency and it should read change of land use other than a mobile home park. This would apply in subsection 5. Mr. Hoy stated on line 29, subsection 5, the language has to be stated as suggested and add, other than provided in subsection 6.

Section 19, subsection 3 appeared to be not well drafted, it was not defined well. Subsection 3 needed to be changed to reflect if essential services are not adequate.

Senator Ford pointed out in subsection 1, a comma should be inserted after may to clarify the intent.

Line 26 need the word or agent added after the word owners.

The committee discussed lines 28 and 29 of subsection 2. Mr. Denny stated he had testified in the assembly that the tenants and county were in agreement that the board which was in effect to begin with should be eliminated. Sections 2 through 6 were made misdemeanors and should go directly to court. If it is to remain a mediation board some changes need to be made. Chairman Close stated he wanted Ms. Vicki Demas contacted to see if she agreed to deleting the mediation board. He would only do so when they concurred.

Section 21 was discussed with the addition of the word tenant on line 15.

Mr. Hoy said there was a problem in section 20, subsection 3 (b). The committee decided to delete line 40. It was also suggested to delete the sentence on line 7, subsection 5. Further discussion resulted in the deletion of subsection (c).

ASSEMBLY BILL NO. 432

Senator Raggio moved to amend and re-refer A. B. No. 432 to the committee.

Senator Hernstadt seconded the motion.

The motion carried unanimously.

SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

SENATE BILL NO. 251--Revises provisions relating to parentage.

Senator Ford advised the committee that the assembly committee had amended the bill that said no cost could be charged to the state. This means that all public costs would go to the county. Chairman Close read the committee the minutes of the assembly committee regarding their action on S. B. No. 251. It said the sentence had been added to clarify that the cost of the action can be passed on to the parties involved in litigation. The committee discussed the possibilities and decided to stay with the decision of the Senate Committee and not concur with the assembly changes.

ASSEMBLY BILL NO. 456--Increases fee charged for filing of certain papers by nonprofit corporations. (Exhibit H)

Senator Ford moved to do Pass A. B. No. 456.

Senator Wagner seconded the motion.

The motion carried. (Senator Don Ashworth and Hernstadt were absent for the vote.)

ASSEMBLY BILL NO. 531--Requires semiannual judicial hearings after placement of foster child.

Senator Raggio moved to indefinitely postpone A. B. No. 531.

Senator Wagner seconded the motion.

The motion carried. (Senator Don Ashworth and Hernstadt were absent for the vote.)

SENATE BILL NO. 429--Regulates sale of time-share estates and time-share licenses. (Exhibit I)

Chairman Close advised the committee he had the amendments back to S. B. No. 429 for review. Senator Raggio with the help of Mr. Jim Wadhams, Ms. Joan Poggione and Mr. David Hoy reviewed and tracked the amendments with the original bill. See Exhibit D attached hereto for a copy of the amendments.

Senator Wagner asked if the additional employees proposed in the bill approved. Mr. Wadhams answered no. Senator Wagner pointed out it would have to go to the finance committee. Mr. Wadhams stated he had anticipated the additional fees would be adequate to pay for the additional personnel. He could not prepare an executive budget depending on whether legislation is passed or not.

SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

Mr. Wadhams said there is a problem with section 56. It creates some ambiguity. It says the time share owners interest in the time share estate is not affected by the the sale of other portions of time share property or the project upon the foreclosure of a mortgage pursuant the power of sale created by a deed of trust. Senator Raggio stated this is a nondisturbance clause, but not for licenses. He asked if it was the intent of the committee that any foreclosure on other parts of the property does not affect the deeded interest which are recorded for the time share portion. Chairman Close said there can only be a time share estate where the entire project is time share. Senator Hernstadt stated he felt Chairman Close had it reversed. Mr. Hoy said with the present language that you would be infringing on the rights of an existing mortgage. The committee discussion resulted in the suggestion it would have to be a subsequent mortgage and this should be inserted.

Mr. Wadhams said there was another problem in Section 61. He said there are projects on a right to use basis on a license basis which are 100% in right to use. Chairman Close advised him this would not be retroactive and would apply to those after the passage of the bill. Mr. Wadhams said then Section 70 also needs to be reviewed. Senator Raggio stated there could be another alternative would be to allow recordable right to use concepts. They had discussed this was allowing the right to use concept which was not recordable or a lien only in those cases where multiple structures where only half of them were being shared. A right to use concept could be used in a single building if they wanted to have a right to use which was recordable.

Mr. Hoy stated he had a problem with Page 10, Section 52. Subsection 2 makes the developer responsible for all the acts of his agent if he is aware of him, whether he knows about them or not. He felt the language was too broad. It should be prefaced by saying if acts relate to the sale of the developers time share project and the developer knows or should have known. Senator Raggio stated he agreed with the suggestion.

Senator Raggio stated on page 11, line 42, this section does not prohibit a local government from enacting business licenses regulations regarding time shares and so forth. Some language should be added that it is not inconsistent with these provisions. He did not want to make sure business licenses and regulations are not inconsistent with these provisions. They can charge a fee but does not want them to impose any additional regulations. Chairman Close stated the legislation would be made effective on July 1, 1981.



SENATE COMMITTEE ON JUDICIARY  
May 24, 1981

Ms. Paggoni said the fee simple ones which have a property report under NRS 119 have until January 1 to come under compliance and they would not want everyone to come under at the same time. Any time share estates or time share license projects sold before July 1, 1981 which not fall under the provisions of NRS 119 shall file an application with the division by October 1. Chairman Close asked Ms. Paggoni to provide him with some language in this regard.

SENATE BILL NO. 429

Senator Hernstadt moved to re-refer S. B. No. 429 to Finance.

Senator Raggio seconded the motion.

The motion carried. (Senators Don Ashworth, Keith Ashworth and Wagner were absent for the vote.

There being no further business, the meeting adjourned at 4:50 p.m.

Respectfully submitted:

  
\_\_\_\_\_  
Shirley LaBadie, Secretary

APPROVED BY:

  
\_\_\_\_\_  
Senator Melvin D. Close, Chairman

DATE: May 29 1981

SENATE AGENDA

COMMITTEE MEETINGS

EXHIBIT A

Committee on JUDICIARY, Room 213.

Day Sunday, Date May 24, Time 8:00 a.m.

Work Session

SENATE COMMITTEE ON JUDICIARY

DATE: May 24, 1981

EXHIBIT B

PLEASE PRINT	PLEASE PRINT	PLEASE PRINT	PLEASE PRINT
NAME	ORGANIZATION & ADDRESS		TELEPHONE
<i>David Hay</i>			
<i>Jim Washburn</i>			
<i>John P. [unclear]</i>	<i>Real Estate Div</i>		

# The English Call It

BY MARY BREEDING, CSG

Family violence has come full circle. Parent abuse, or "gram slamming," is taking its place with child and spouse abuse in the arena of domestic violence.

✓ In Chicago, a 19-year-old woman confessed to torturing her 81-year-old father and chaining him to a toilet for seven days. She also hit him with a hammer when he was asleep: "I worked him over real good with it. Then after I made him weak enough, I chained his legs together. After that I left him and rested. I watched TV for a while."

✓ In Delaware, Mrs. A, aged 78, has a 37-year-old retarded daughter who is the mother of a 13-year-old daughter. The 13 year old physically abuses the grandmother.

✓ In Chicago, an 83-year-old man was found by police lying in garbage and excrement on his apartment floor. He had an infected hip that was draining fluid all over his clothes, and he was crying and saying that he hadn't eaten for three days. The abuser was the man's 56-year-old son.

There are over 22 million people over the age of 65 in the United States. Some experts estimate that as many as 2 million elderly persons suffer injuries inflicted by their own adult children every year. There will be an estimated 27 million people over 65 by 1985.

The 1980s have already been tagged the decade of the battered parent, and the statistics suggest a bad situation can only get worse. As inflation worsens and the cost of housing increases, more retired parents are becoming dependent on their overburdened and unprepared adult children. And, as birth and mortality rates decrease, there will be fewer children to take care of more older persons. Where once a parent would be welcomed, some are now considered a nuisance—a financial, emotional, and physical burden. The results are frustration, guilt and, very often, abuse.

## Types of Abuse

Abuse can be identified in three categories: physical, psychological, and financial/legal/material:

*Physical* includes beating with fists or other objects; withholding of personal care, food or medicine; burning with cigarettes or hot water; sexual molestation; intentional oversedation; and tethering.

*Psychological* includes verbal assaults and threats and abandonment for long periods of time, which in turn encourages fear and isolation.

*Financial/Legal/Material* includes extortion of retirement checks, misuse of assets, material theft, and being forced out of one's home or into another setting.

A recent report conducted by the University of Maryland found that psychological abuse occurs most frequently. But a study by Elizabeth Lau at the Chronic Illness Center in Cleveland, Ohio, states that physical abuse is the most frequent. In fact, Lau reports that in over three fourths of the cases, physical abuse was evident, while over half involved psychological abuse. In many cases, more than one form of abuse is suffered.

The average victim is very old, female, protestant, and lower- or middle-class. In most cases, the abuser is a live-in relative. Elders are often reluctant to reveal their situation because of fear and embarrassment. Often they simply don't know who to call.

There are several recurring theories on the cause of this mistreatment. Stress, sometimes accompanied by alcoholism or drug abuse, is often mentioned as a major factor. According to a *Briefing Book for a June 11 Hearing on Elder Abuse* by the U.S. Senate Special Committee on Aging, both the victim and the abuser can contribute to a pressure situation. Middle-aged children, coping with the demands of their own children and facing their own retirement, are rarely equipped for the sudden "role-reversal" that caring for an invalid parent creates. Maggie Kuhn, founder of the Gray Panthers, a senior citizens' rights organization, advises, "When the parent becomes the child, the child must become the parent."

## Treatment, Protection

Once a case of abuse has been detected, the problem becomes one of rehabilitation and/or protection. In identifying treatment methods, the staff of Legal Research and Services for the Elderly, located in Boston, suggests that some of the more frequently mentioned forms of intervention are referral to social service agencies, counseling, arrangement of in-home services, and removal of the victim. Mildred Krasnow, director of the Bergen Coun-

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# “Granny Bashing”



**GRANNY BASHING**—*The elderly are sometimes victims of family violence.*

ty, New Jersey, Office on Aging, says that temporary solutions may be possible, such as getting temporary shelter, but that long-range solutions such as therapy or new laws will take work.

According to a survey recently conducted by the U.S. Senate Special Committee on Aging, at least half the states have protective service laws that deal with abuse in some way.\* In the last five years, at least 15 states passed laws. In 1977 alone, no fewer than eight states passed laws. So far in 1980, Arizona, Kansas, Kentucky, Minnesota, Missouri, and Vermont have passed new or revised legislation. Several states are drafting legislation, and 1981 will probably see a few more protective service laws passed. The Connecticut law (considered to be a model law) states that

one who deals regularly with the elderly, from physician to coroner to clergyman, must report any suspected

case of abuse within five days or be fined \$500. The committee feels that, although the problem should be dealt with by the states, the federal government should encourage legislation and provide matching money through the Administration on Aging and the Office of Human Development Services.

Another theory on the cause of parent abuse suggests that abusive adults may have been abused themselves as children. In his book *Violence in the Home*, M. D. A. Freeman says that adults who were battered as children batter their children and spouses and, in turn, may find themselves subject to violence in their later years from their own children. The wheel has come full circle.

\*The states are AL, AZ, AR, CT, FL, KS, KY, MD, MI, MN, MO, MT, NE, NH, NY, NC, OR, SC, SD, TN, UT, VT, VA, and WI.

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ASSEMBLY ACTION	SENATE ACTION	Senate	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to	Senate
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>		<del>Joint</del>
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	Bill No. 429	Resolution No.
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	BDR 10-495	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>	Proposed by	Committee on Judiciary
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>		
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>		

Amendment N<sup>o</sup> 1096



Amend section 1, page 1, line 2, by deleting "68," and inserting:  
"69,"

Amend sec. 4, page 1, line 9, by deleting "previous" and inserting:  
"previously".

Amend the bill as a whole, by deleting sec. 8 and renumbering  
sections 9 through 13 as sections 8 through 12.

Amend sec. 10, page 1, line 25, by deleting the period and inserting:  
"not related to the time-share property."

Amend sec. 13, page 2, line 13, by deleting "recordable".

Amend the bill as a whole, by inserting a new section, designated  
as sec. 13, following sec. 13, to read:

"Sec. 13. "Public offering statement" means the report, issued by  
the administrator pursuant to the provisions of this chapter, which  
authorizes a developer to sell or offer to sell time shares in the  
time-share property which is the subject of the report. The public  
offering statement may also be known as a permit."

Amend sec. 14, page 2, line 19, by deleting "a developer," and  
inserting: "the developer or lender, who purchases a time share."

Amend sec. 14, page 2, by deleting lines 20 and 21.

Amend sec. 15, page 2, line 23, after "share" by inserting a  
comma.

To: E & E  
LCB File  
Journal  
Engrossment  
Bill

Drafted by JW:ss

Date 5-18-81

2150

Amend sec. 15, page 2, line 24, by deleting the period and inserting:

"not related to the time-share property."

Amend sec. 16, page 2, line 25, after "who" by inserting:  
", on behalf of a developer,".

Amend sec. 18, page 2, line 29, by deleting "unit or" and inserting:  
"time-share".

Amend sec. 18, page 2, by deleting line 30 and inserting:  
"parcel or any of several time-share parcels during".

Amend sec. 18, page 2, line 31, by deleting "5 or" and inserting:  
"five or".

Amend sec. 19, page 2, by deleting line 38 and inserting:

"2. Imposed on the time-share parcels by the entity governing the time-share property or the project".

Amend sec. 21, page 2, line 43, by deleting "unit or" and inserting:  
"time-share".

Amend sec. 21, page 2, by deleting line 44 and inserting:  
"parcel or any of several time-share parcels during".

Amend sec. 21, page 2, line 45, by deleting "more than 3" and inserting:  
"at least 5".

Amend sec. 21, page 2, line 47, after the period by inserting:  
"The term does not include an advance reservation for a fixed rate or fixed room in a lodging facility whose accommodations are usually occupied by transient guests.:"

Amend sec. 22, page 2, by deleting line 49 and inserting:  
"coowner of a time share, other than as security for an obligation."

Amend sec. 23, page 3, by deleting line 1 and inserting:

"Sec. 23. "Time-share parcel" means any unit or independent parcel of real property in which".

Amend sec. 24, page 3, lines 3 and 4, by deleting "units or independent parcels" and inserting:  
"time-share parcels".

Amend sec. 24, page 3, line 5, by deleting "units." and inserting:  
"parcels."

Amend sec. 27, page 3, by deleting lines 9 and 10 and inserting:  
"Sec. 27. 1. Except as otherwise provided in section 70 of this  
act, this chapter applies to all time shares offered within this  
state:".

Amend sec. 27, page 3, line 22, by deleting the period and inserting:  
"and is approved by the division."

Amend sec. 27, page 3, by deleting lines 25 and 26.

Amend sec. 29, page 3, line 34, by deleting "project" and inserting:  
"time-share property".

Amend sec. 29, page 3, line 36, by deleting "project" and inserting:  
"time-share property".

Amend sec. 35, page 5, after line 8, by inserting:

"4. The administrator shall classify as confidential the following  
records and information obtained by the division:

(a) Lists of prospective purchasers;

(b) Lists of purchasers with whom a sale has been consummated;

and

(c) Any other information which he determines to be a trade  
secret.

*flush* Matters so classified as confidential are trade secrets within the  
meaning of NRS 49.325."

Amend sec. 37, page 5, line 15, by deleting "project or independent  
parcel" and inserting:  
"time-share property".

Amend sec. 37, page 5, line 19, after "the" by inserting:  
"time-share property and, where applicable, in the entire".

Amend sec. 37, page 5, by deleting line 22 and inserting:

"3. The legal description of the time-share property and, where  
applicable, of the property involved in the entire project."



Amend sec. 37, page 5, by deleting line 23 and inserting:

"4. An opinion of counsel concerning the condition of title to the time-share property and, where applicable, to the entire project, particularly".

Amend sec. 37, page 5, line 29, after "a" by inserting:

"time-share property or".

Amend sec. 37, page 5, lines 34 and 35, by deleting "project" and inserting:

"time-share property".

Amend sec. 37, page 5, line 38, by deleting "in" and inserting:

"for the proposed time-share property and, where applicable,".

Amend sec. 37, page 5, line 40 after "proposed" by inserting:

"time-share property and, where applicable, the proposed".

Amend sec. 37, page 5, line 43, by deleting "units in the project." and inserting:

"time-share parcels.".

Amend sec. 37, page 5, line 44, by deleting "units," and inserting:

"time-share parcels,".

Amend sec. 37, page 5, line 47, by deleting "the" the second time it appears and inserting:

"a".

Amend sec. 37, page 6, line 6, after "the" the second time it appears, by inserting:

"time-share property or".

Amend sec. 37, page 6, line 8, after "the" by inserting:

"time-share property or the".

Amend sec. 37, page 6, line 10, after "the" by inserting:

"time-share property or".

Amend sec. 37, page 6, line 16, after "expenses" by inserting a comma.

Amend sec. 37, page 6, line 27, before "project" by inserting:

"time-share property, the".

Amend sec. 37, page 6, line 34, by deleting "project." and inserting:  
"time-share property."

Amend sec. 37, page 6, line 43, before "project" by inserting:  
"time-share property or the".

Amend sec. 37, page 6, line 44, before "project." by inserting:  
"time-share property or".

Amend sec. 38, page 6, by deleting line 47 and inserting:  
"statement or amendment thereto under this chapter to any developer,  
investigate all infor-".

Amend sec. 38, page 7, line 2, by deleting "license" and inserting:  
"public offering statement or amendment thereto".

Amend sec. 39, page 7, line 13, by deleting "application" and  
inserting:

"original application or request for amendment".

Amend sec. 39, page 7, by deleting lines 14 and 15 and inserting:  
"developer a public offering statement or amendment public offering  
statement authorizing the sale or the offer for sale in this state  
of time shares in the project.".

Amend sec. 39, page 7, by deleting line 19 and inserting:  
"chapter. Both the form and the content of the public offering  
statement are subject to the approval of the administrator.".

Amend sec. 39, page 7, line 20, after "statement" by inserting:  
"or amendment thereto".

Amend sec. 39, page 7, following line 33, by inserting:  
"(g) There are substantial questions as to the financial viability  
of the development of the time-share property.".

Amend sec. 40, page 7, line 36, after the period, by inserting:  
"The administrator may extend the time for an additional 30 days if  
necessary.".

Amend sec. 40, page 7, by deleting lines 38 through 44 and inserting:  
"may appeal to the director who shall, after opportunity for a  
hearing, either confirm the denial or order the issuance of a public  
offering statement or amendment thereto, as the case may be.".

Amend sec. 41, page 8, line 2, by deleting the comma.

Amend sec. 42, page 8 line 6, by deleting "is not licensed" and inserting:

"has not received a permit".

Amend sec. 42, page 8, line 7, by deleting the period and inserting:  
"or conducting activities in a manner not in compliance with the terms of his permit."

Amend sec. 42, page 8, by deleting lines 8 through 12 and inserting:  
"2. The order to cease must be in writing and must state that, in the opinion of the administrator, the developer has not been issued a permit for the activity or the terms of the permit do not allow the developer to conduct the activity in that manner. The developer shall not engage in any activity regulated by this chapter after he receives such an order. In addition to any other penalty which may be imposed, a developer who violates such an order is liable for an administrative penalty of \$100 for each day of violation."

Amend sec. 42, page 8, line 13, by deleting "person" and inserting:  
"developer".

Amend sec. 42, page 8, line 16, by deleting "as a licensee".

Amend sec. 43, page 8, line 29, by deleting "a business as a licensee" and inserting:  
"his business".

Amend sec. 43, page 8, lines 32 and 33, by deleting "requests postponement." and inserting:

"submits a written request for postponement at least 3 working days before the date set for hearing."

Amend sec. 43, page 8, line 35, after "30 days" by inserting:  
"or within the extended time if a postponement is requested,".

Amend sec. 44, page 8, line 38, by deleting "license,".

Amend sec. 44, page 8, line 44, after "involving" by inserting:  
"a time-share property,".

Amend sec. 45, page 8, line 49, by deleting "projects," and inserting:  
"time-share properties,".

Amend sec. 46, page 9, by deleting line 4 and inserting:  
"thereto, without penalty, for 3 days after either the date of purchase or the day".

Amend sec. 47, page 9, line 17, by deleting "project" and inserting:  
"time-share property".

Amend sec. 48, page 9, line 28, by deleting the semicolon and inserting:

"or his agent;".

Amend sec. 48, page 9, line 32, by deleting "project" and inserting:  
"time-share property".

Amend sec. 48, page 9, by deleting lines 36 through 39.

Amend sec. 49, page 9, line 42, after the period, by inserting:  
"Any purchaser of time shares from the developer may rescind the purchase, without penalty, for 3 days after the day on which the purchaser receives notice of a material change affecting those time shares, if the change occurred before the date of purchase and the public offering statement did not reflect the change.".

Amend sec. 50, page 9, line 49, by deleting "3" and inserting:  
"6".

Amend sec. 51, page 10, line 3, by deleting the period and inserting:  
"or time-share property.".

Amend sec. 52, page 10, by deleting lines 6 and 7 and inserting:  
"represent him if:

1. The acts are performed within the scope of the employment or engagement; or
2. The developer knows or should have known of the acts, even though they are outside the scope of the employment or engagement.".

Amend sec. 53, page 10, by deleting line 9 and inserting:

- "1. Refer to any officer or employee of the division in".

Amend sec. 53, page 10, line 11, by deleting ", unit".

Amend sec. 53, page 10, line 12, by deleting "independent" and inserting:

"time-share".

Amend sec. 53, page 10, line 14, by deleting the period and inserting: "other than as appears in the public offering statement."

Amend sec. 54, page 10, line 15 before "The", by inserting:

"1. The division may at any time review advertisements for time shares and may require the developer to make modifications which it deems necessary to comply with the provisions of this chapter.

2."

Amend the bill as a whole, by inserting a new section, designated section 56, following sec. 55, to read:

"Sec. 56. A time share owner's interest in a time-share estate is not affected by the sale of other portions of the time-share property or the project upon foreclosure of a mortgage or pursuant to a power of sale created by a deed of trust."

Amend the bill as a whole by renumbering sections 56 through 68 as sections 57 through 69.

Amend sec. 56, page 10, by deleting lines 34 and 35 and inserting: "Sec. 57. 1. Each time-share property must be assessed as one property."

Amend sec. 56, page 10, line 36, by deleting "furnished" and inserting: "sent".

Amend sec. 56, page 10, by deleting lines 37 through 39 and inserting: "the resident agent or management agent for the association of time-share owners. The association is liable for the taxes on the time-share property. If there is no association, the owners of the time shares shall furnish to the county assessor the mailing address to which notices of assessments and tax bills must be sent."

Amend sec. 58, page 10, line 47, by deleting "A" and inserting:

"1. Except as provided in subsection 2, a".

Amend sec. 58, page 10, after line 50, by inserting:

"2. This section does not prohibit a local government from enacting business license regulations regarding time shares or from requiring that the developer of a time-share property obtain a conditional use permit from the appropriate zoning authorities before locating it in a district that is primarily zoned for residential use."

Amend sec. 60, page 11, by deleting lines 18 and 19 and inserting:

"Sec. 61. A time-share instrument may create time-share licenses only in property consisting of multiple structures in which less than a majority of the parcels are time-share parcels."

Amend sec. 61, page 11, lines 20 and 21, by deleting "which creates more than 12 time shares in a time-share property".

Amend sec. 61, page 11, line 32, by deleting "units or independent" and inserting:

"time-share".

Amend sec. 61, page 11, line 36, by deleting "units" and inserting: "time-share parcels".

Amend sec. 61, page 11, line 40, by deleting "units" and inserting: "time-share parcels".

Amend sec. 61, page 11, by deleting lines 42 and 43 and inserting: "relation to those parcels at the end of the period; and".

Amend sec. 61, page 11, line 46, after "developer" by inserting: "or division".

Amend sec. 62, page 11, line 47, by deleting "A time-share instrument must" and inserting:

"The division may require that a time-share instrument".

Amend sec. 62, page 11, by deleting lines 49 and 50 and inserting: "erty and for the maintenance, repair and furnishing of time-share parcels. The instrument may include, without limitation, the following items or a statement there is no provision for the item:".

Amend sec. 62, page 12, line 6, by deleting "units." and inserting:  
"time-share parcels."

Amend sec. 62, page 12, line 13, by deleting "units" and inserting:  
"time-share parcels".

Amend sec. 62, page 12, line 15, by deleting "units" and inserting:  
"time-share parcels".

Amend sec. 62, page 12, line 19, by deleting "units" and inserting:  
"time-share parcels".

Amend sec. 62, page 12, line 21, by deleting "unit" and inserting:  
"time-share parcel".

Amend sec. 62, page 12, line 27, by deleting "units." and inserting:  
"time-share parcels."

Amend sec. 62, page 12, line 28, by deleting "professional" and  
inserting:  
"professionally qualified".

Amend sec. 63, page 12, line 38, by deleting "units" and inserting:  
"time-share parcels".

Amend sec. 63, page 12, by deleting lines 40 and 41.

Amend sec. 64, page 12, line 42, by deleting "unit" and inserting:  
"time-share parcel".

Amend sec. 66, page 13, line 3, by changing the period to a colon.

Amend sec. 66, page 13, line 5, by deleting "project" and inserting:  
"time-share property".

Amend sec. 66, page 13, line 9, by deleting "\$1,500" and inserting:  
"\$2,500".

Amend sec. 67, page 13, lines 11 and 12, by deleting "application,  
when that part became effective," and inserting:  
"public offering statement, when delivered to the purchaser,".

Amend sec. 67, page 13, line 14, by deleting "application" and  
inserting:  
"statement".

Amend sec. 67, page 13, by deleting lines 23 through 25 and inserting:

"3. Any person who purchases a time share sold by a developer in violation of this chapter or by means of a public offering statement which contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein, is entitled to seek rescission of the purchase or any other remedy allowed by law."

Amend sec. 68, page 13, by deleting line 26 and inserting:

"Sec. 69. 1. Any person who"

Amend sec. 68, page 13, line 28, by deleting "and" and inserting: "and,".

Amend sec. 68, page 13, by deleting lines 30 through 32.

Amend sec. 68, page 13, line 33, by deleting "(b) Obtains" and inserting:

"2. Any person who obtains".

Amend sec. 68, page 13, line 34, by deleting "intentional misrepresentation, deceit or fraud," and inserting:

"deceit, fraud or material misrepresentation,".

Amend the bill as a whole, by inserting a new section, designated as sec. 70, following sec. 68, to read:

"Sec. 70. Any project for which a property report was issued before July 1, 1981, under the provisions of chapter 119 of NRS and the regulations adopted thereunder need not comply with the requirements of this chapter for a public offering statement, but before January 1, 1982, the developer must submit to the division a written supplement to the property report describing in detail the arrangements for the management and operation of the time-share property as required by section 63 of this act. When the division approves the supplement, it must reissue the property report, as supplemented, as a public offering statement under the provisions of this chapter. The project is thereafter subject to all the provisions of this chapter."



## Exhibit E

**THIS EXHIBIT IS MISSING FROM BOTH THE ORIGINAL  
MINUTES AND THE MICROFICHE.**

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

**A. B. 255**

ASSEMBLY BILL NO. 255—ASSEMBLYMAN BARENGO

MARCH 3, 1981

Referred to Committee on Judiciary

SUMMARY—Reduces period required for sale of goods in storage to satisfy liens. (BDR 9-1092)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT relating to statutory liens; reducing the period required before certain goods in storage may be sold to satisfy a lien for storage charges; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

- 1 SECTION 1. NRS 108.440 is hereby amended to read as follows:  
2 108.440 1. When any [goods, merchandise or other] property to be  
3 placed in storage has been received by any person, [persons,] firm or  
4 corporation acting as bailee for hire of the [goods, merchandise or other]  
5 property to be placed in storage in any room, building or other structure  
6 belonging to or leased by the [person, persons, firm or corporation acting  
7 as] bailee, the bailee [shall have the right to] *may, in accordance with*  
8 *the provisions of NRS 108.450,* sell the [goods, merchandise or other]  
9 property at public auction to the highest bidder [not less than 6 months  
10 after] if the bailor has [first] failed to pay the storage charges on the  
11 [goods, merchandise or other] property.  
12 2. The sale [shall not be had] *must not be made in any manner*  
13 *which is* contrary to any agreement [or contract] between the bailor and  
14 the bailee.  
15 SEC. 2. NRS 108.450 is hereby amended to read as follows:  
16 108.450 1. The bailee shall notify the bailor of the intended sale [30  
17 days previous thereto if the bailor's address or residence is known to the  
18 bailee. If not known, then the bailee shall publish notice in any newspaper  
19 most likely to give notice at least once weekly for a period of 4 weeks  
20 successively, or, if there be no newspaper published] *as follows:*  
21 (a) *The notice must be delivered in person or sent by mail to the last*  
22 *known address of the bailor.*  
23 (b) *The notice must include a statement of the claim, a description of*

1 *the goods, a demand for full payment and a statement that the goods*  
2 *will be advertised for sale and sold at public auction unless payment is*  
3 *made in full before the time and date of the sale specified in the notice.*

4 2. *An advertisement of the sale must be published once a week for*  
5 *2 weeks consecutively in a newspaper of general circulation in the town*  
6 *or township where the bailee resides. The advertisement must include a*  
7 *description of the goods, the name of the person on whose account they*  
8 *are being held, and the time and place of the sale. The first publication*  
9 *of the advertisement must take place at least 15 days after the date on*  
10 *which the notice was delivered or mailed, and the sale must take place*  
11 *at least 15 days after the first publication. If there is no newspaper of*  
12 *general circulation in the town or township where the bailee resides,*  
13 *[then] the notice may be given by posting notices in [3] three or more*  
14 *public places in the town or township for [a period of 4 weeks previous*  
15 *to] at least 10 days before the sale.*

16 3. *The bailor may redeem his property at any time before the public*  
17 *auction by paying to the bailee the amount of storage charges, charges*  
18 *for late payment, costs of advertising and storage charges incurred by the*  
19 *bailee on account of the property. A bailor has no right to redeem his*  
20 *property if it has been sold at an auction held at the time and place*  
21 *specified in the notice.*

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 336

## ASSEMBLY BILL NO. 336—COMMITTEE ON JUDICIARY

MARCH 12, 1981

Referred to Committee on Judiciary

SUMMARY—Requires standard form to record convictions and permits use of form to prove prior convictions. (BDR 14-800)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: No.EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT relating to judgments of convictions; providing for proof of a prior conviction of a felony by a certified record in various cases; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

- 1 SECTION 1. NRS 50.095 is hereby amended to read as follows:  
 2 50.095 1. For the purpose of attacking the credibility of a witness,  
 3 evidence that he has been convicted of a crime is admissible but only if  
 4 the crime was punishable by death or imprisonment [in excess of] for  
 5 more than 1 year under the law under which he was convicted.  
 6 2. Evidence of a conviction is inadmissible under this section if a  
 7 period of more than 10 years has elapsed since:  
 8 (a) The date of the release of the witness from confinement; or  
 9 (b) The expiration of the period of his parole, probation or sen-  
 10 tence,  
 11 whichever is the later date.  
 12 3. Evidence of a conviction is inadmissible under this section if the  
 13 conviction has been the subject of a pardon.  
 14 4. Evidence of juvenile adjudications is inadmissible under this sec-  
 15 tion.  
 16 5. The pendency of an appeal therefrom does not render evidence of  
 17 a conviction inadmissible. Evidence of the pendency of an appeal is  
 18 admissible.  
 19 6. *A certified copy of a conviction is prima facie evidence of the*  
 20 *conviction.*  
 21 SEC. 2. NRS 207.010 is hereby amended to read as follows:  
 22 207.010 1. Every person convicted in this state of any crime of  
 23 which fraud or intent to defraud is an element, or of petit larceny, or of

1 any felony, who has previously been twice convicted, whether in this  
2 state or elsewhere, of any crime which under the laws of the situs of the  
3 crime or of this state would amount to a felony, or who has previously  
4 been three times convicted, whether in this state or elsewhere, of petit  
5 larceny, or of any misdemeanor or gross misdemeanor of which fraud  
6 or intent to defraud is an element, shall be adjudged to be an habitual  
7 criminal and shall be punished by imprisonment in the state prison for  
8 not less than 10 years nor more than 20 years.

9 2. Every person convicted in this state of any crime of which fraud  
10 or intent to defraud is an element, or of petit larceny, or of any felony,  
11 who has previously been three times convicted, whether in this state or  
12 elsewhere, of any crime which under the laws of the situs of the crime  
13 or of this state would amount to a felony, or who has previously been  
14 five times convicted, whether in this state or elsewhere, of petit larceny,  
15 or of any misdemeanor or gross misdemeanor of which fraud or intent  
16 to defraud is an element, shall be punished by imprisonment in the state  
17 prison for life with or without possibility of parole. If the penalty fixed  
18 by the court is life imprisonment with the possibility of parole, eligibility  
19 for parole begins when a minimum of 10 years has been served.

20 3. Conviction under this section operates only to increase, not to  
21 reduce, the sentence otherwise provided by law for the principal crime.

22 4. It is within the discretion of the district attorney whether or not to  
23 include a count under this section in any information, and the trial judge  
24 may, at his discretion, dismiss a count under this section which is included  
25 in any indictment or information.

26 5. In proceedings under this section, each previous conviction [shall]  
27 *must* be alleged in the accusatory pleading charging the primary offense,  
28 but no such conviction may be alluded to on trial of the primary offense,  
29 nor may any allegation of [such] *the* conviction be read in the presence  
30 of a jury trying [such] *the* offense.

31 6. If a defendant charged under this section is found guilty of, or  
32 pleads guilty to, the primary offense, but denies any previous conviction  
33 charged, the court shall determine the issue of [such] *the* previous con-  
34 viction after hearing all relevant evidence presented on [such] *the* issue  
35 by the prosecution and the defendant. The court shall impose sentence  
36 pursuant to subsections 1 and 2 of this section upon finding that the  
37 defendant has suffered previous convictions sufficient to support an adju-  
38 dication of habitual criminality.

39 7. Nothing in this section limits the prosecution in introducing evi-  
40 dence of prior convictions for purposes of impeachment.

41 8. [Presentation of an exemplified] *A certified* copy of a felony con-  
42 viction is *prima facie* evidence of conviction of a prior felony.

43 SEC. 3. NRS 453.348 is hereby amended to read as follows:

44 453.348 In any proceeding brought under NRS 453.316, 453.321,  
45 453.337, 453.338 or 453.401, any previous convictions of the offender  
46 for a felony relating to controlled substances [shall] *must* be alleged in  
47 the indictment or information charging the primary offense, but [such]  
48 *the* conviction may not be alluded to on the trial of the primary offense  
49 nor may any evidence of [such] *the previous* offense be produced in the  
50 presence of the jury except as otherwise prescribed by law. If the offender

1 pleads guilty to or is convicted of the primary offense but denies any pre-  
2 vious conviction charged, the court shall determine the issue after hearing  
3 all relevant evidence. [Presentation of an exemplified] *A certified copy*  
4 of a conviction of a felony is prima facie evidence of the conviction.

29

**A. B. 456**

**ASSEMBLY BILL NO. 456—COMMITTEE ON  
WAYS AND MEANS**

**APRIL 8, 1981**

**Referred to Committee on Ways and Means**

**SUMMARY—Increases fee charged for filing of certain papers by nonprofit corporations. (BDR 7-1374)**

**FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: No.**

**EXPLANATION—Matter in italics is new; matter in brackets [ ] is material to be omitted.**

**AN ACT relating to nonprofit corporations; increasing the fee charged by the secretary of state for the filing of articles of incorporation, articles of association or a certificate of organization; and providing other matters properly relating thereto.**

***The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:***

1     **SECTION 1.** Chapter 81 of NRS is hereby amended by adding  
2 thereto a new section which shall read as follows:

3     *Except as provided in subsection 2 of NRS 81.060, a nonprofit cor-*  
4 *poration which is required to file articles of incorporation, articles of*  
5 *association or a certificate of organization, as the case may be, must pay*  
6 *a filing fee of \$15 to the secretary of state.*

7     **SEC. 2.** NRS 81.300 is hereby amended to read as follows:

8     81.300 1. Upon filing a certificate as provided in NRS 81.290, the  
9 secretary of state shall, upon the payment of [a fee of \$1.] *the appropri-*  
10 *ate fee*, issue a certificate of the organization of the corporation, associa-  
11 tion or society, [duly] authenticated under his hand and seal of the  
12 state. A certified copy of the certificate issued under the hand and seal  
13 of the secretary of state [shall] *must* be filed or microfilmed in the office  
14 of the clerk of the county in which the principal office of [such] *the*  
15 corporation, association or society is located.

16     2. Upon complying with the conditions of subsection 1, the corpora-  
17 tion, association or society shall be deemed fully organized and may pro-  
18 ceed to do business.

19     **SEC. 3.** NRS 81.360 is hereby amended to read as follows:

20     81.360 1. Upon filing a certificate as provided in NRS 81.350, the  
21 secretary of state shall, upon the payment of [a fee of \$1.] *the appropri-*  
22 *ate fee*, issue a certificate of the organization of the corporation, associa-  
23 tion or society, [duly] authenticated under his hand and seal of the state.

- 1 A certified copy of the certificate issued under the hand and seal of the
- 2 secretary of state [shall] *must* be filed or microfilmed in the office of the
- 3 clerk of the county in which the principal office of [such] *the* corpora-
- 4 tion, association or society is located.
- 5 2. Upon complying with the conditions of subsection 1, the corpora-
- 6 tion, association or society shall be deemed fully organized and may pro-
- 7 ceed to do business.



(REPRINTED WITH ADOPTED AMENDMENTS)  
FOURTH REPRINT

S. B. 429

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SENATE BILL NO. 429—SENATOR RAGGIO

MARCH 18, 1981

Referred to Committee on Judiciary

SUMMARY—Regulates sale of time-share estates and time-share licenses. (BDR 10-495)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State or on Industrial Insurance: Yes.

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT relating to property; providing for regulation of the sale of time-share estates and licenses; providing for the rights of developers and purchasers; providing penalties; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

- 1 SECTION 1. Title 10 of NRS is hereby amended by adding thereto  
2 a new chapter to consist of the provisions set forth as sections 2 to 69,  
3 inclusive, of this act.
- 4 SEC. 2. As used in this chapter, unless the context otherwise  
5 requires, the words and terms defined in sections 3 to 26, inclusive, of  
6 this act have the meanings ascribed to them in those sections.
- 7 SEC. 3. "Administrator" means the real estate administrator.
- 8 SEC. 4. "Developer" means any person who offers to dispose of or  
9 disposes of his interest in a time share not previously disposed of.
- 10 SEC. 5. "Director" means the director of the department of com-  
11 merce.
- 12 SEC. 6. "Division" means the real estate division of the department  
13 of commerce.
- 14 SEC. 7. "Hearing officer" means a member of the staff of the depart-  
15 ment of commerce whom the administrator has appointed as a hearing  
16 officer.
- 17 SEC. 8. "Manager" means any person, other than all time-share  
18 owners or the association, designated in or employed pursuant to the  
19 time-share instrument or project instrument to manage the property  
20 in which time shares have been created.
- 21 SEC. 9. "Offering" means any advertisement, inducement, solicitation,  
22 or attempt to encourage any person to acquire a time share, other than  
23 as security for an obligation not related to the time-share property. An

1 advertisement in a newspaper or other periodical of general circulation,  
2 or in any broadcast medium to the general public, of a time share in  
3 property not located in this state, is not an offering if the advertisement  
4 states that an offering may be made only in compliance with the law of  
5 the jurisdiction in which the property is located.

6 SEC. 10. "Person" means a natural person, corporation, government,  
7 governmental subdivision or agency, business trust, estate, trust,  
8 partnership, association, joint venture or other legal or commercial  
9 entity.

10 SEC. 11. "Project" means real property, subject to a project instru-  
11 ment, containing more than one unit. A project may include units that  
12 are not time-share units.

13 SEC. 12. "Project instrument" means one or more documents, by  
14 whatever name denominated, applying to the whole of a project and  
15 containing restrictions or covenants regulating the use, occupancy or dis-  
16 position of units in a project, including any amendments to the document  
17 but excluding any law, ordinance or governmental regulation.

18 SEC. 13. "Public offering statement" means the report, issued by the  
19 administrator pursuant to the provisions of this chapter, which author-  
20 izes a developer to sell or offer to sell time shares in the time-share prop-  
21 erty which is the subject of the report. The public offering statement may  
22 also be known as a permit.

23 SEC. 14. "Purchaser" means any person, other than the developer or  
24 lender, who purchases a time share.

25 SEC. 15. "Sale" includes a lease, assignment or other transaction  
26 designed to convey an interest in a time share, other than as security for  
27 an obligation not related to the time-share property.

28 SEC. 16. "Sales representative" means a person who, on behalf of a  
29 developer, sells or offers to sell a time share to a purchaser.

30 SEC. 17. "Time share" means a time-share estate or a time-share  
31 license.

32 SEC. 18. "Time-share estate" means a right to occupy a time-share  
33 parcel or any of several time-share parcels during five or more separated  
34 time periods over a period of at least 5 years, including renewal options,  
35 coupled with a freehold estate or an estate for years in a time-share prop-  
36 erty or a specified portion thereof.

37 SEC. 19. "Time-share expenses" means expenditures, fees, charges or  
38 liabilities:

39 1. Incurred with respect to the time shares by or on behalf of all  
40 time-share owners in one time-share property; and

41 2. Imposed on the time-share parcels by the entity governing the  
42 time-share property or the project of which the time-share property is a  
43 part,  
44 together with any allocations to reserves, but excluding purchase money  
45 payable for time shares.

46 SEC. 20. "Time-share instrument" means one or more documents, by  
47 whatever name denominated, creating or regulating time shares.

48 SEC. 21. "Time-share license" means a right to occupy a time-share  
49 parcel or any of several time-share parcels during five or more separated  
50 times periods over a period of at least 5 years, including renewal options,

1 not coupled with a freehold estate or an estate for years. The term does  
2 not include an advance reservation for a fixed rate or fixed room in a  
3 lodging facility whose accommodations are usually occupied by transient  
4 guests.

5 SEC. 22. "Time-share owner" means a person who is an owner or  
6 coowner of a time share, other than as security for an obligation.

7 SEC. 23. "Time-share parcel" means any unit, or any parcel of real  
8 property which is not a part of any project, in which time shares exist.

9 SEC. 24. "Time-share property" means one or more time-share par-  
10 cels subject to the same time-share instrument, together with any other  
11 real estate or rights therein appurtenant to those parcels.

12 SEC. 25. "Time-share unit" means a unit in which time shares exist.

13 SEC. 26. "Unit" means that portion of a project which is designated  
14 for separate use.

15 SEC. 27. 1. Except as otherwise provided in section 70 of this act,  
16 this chapter applies to all time shares offered within this state:

17 (a) On or after July 1, 1981; and

18 (b) Before July 1, 1981, with respect to events and circumstances  
19 which occur on or after July 1, 1981.

20 2. Nothing in this chapter affects the validity of, or rights and obli-  
21 gations created by, provisions of any time-share instrument, document  
22 transferring an estate or interest in real property, or contract which  
23 existed on July 1, 1981.

24 3. The time-share instrument of any time-share property created  
25 before July 1, 1981, may be amended to accomplish any result permitted  
26 by this chapter if the amendment is adopted in conformity with the appli-  
27 cable law and with the procedures and requirements specified by the  
28 instrument and is approved by the division. If the amendment grants to  
29 any person the rights permitted by this chapter, all correlative obligations,  
30 liabilities and restrictions of this chapter also apply to that person.

31 SEC. 28. Except as provided in this chapter, provisions of this chap-  
32 ter may not be varied by agreement. Rights conferred by this chapter may  
33 not be waived. A developer may not act under a power of attorney or  
34 use any other device to evade the limitations or prohibitions of this  
35 chapter or of any time-share instrument.

36 SEC. 29. 1. The division may adopt regulations necessary for the  
37 carrying out and enforcement of the provisions of this chapter.

38 2. The division may adopt regulations exempting any time-share  
39 property from the provisions of this chapter if it finds that enforcement  
40 of those provisions with respect to the time-share property is not neces-  
41 sary in the public interest and for the protection of time-share owners and  
42 prospective purchasers.

43 SEC. 30. The division may employ legal counsel, investigators and  
44 other professional consultants necessary to the discharge of its duties  
45 under this chapter.

46 SEC. 31. For any proceeding held pursuant to a provision of this  
47 chapter, the administrator may appoint a hearing officer from the staff  
48 of the department who shall act as his agent and conduct any hearing  
49 or investigation which may be conducted by the administrator pursuant  
50 to this chapter.

1       **SEC. 32.** The administrator or his hearing officer may:

2       1. Take testimony and other evidence concerning all matters within  
3 the jurisdiction of the division pursuant to this chapter;

4       2. Administer oaths;

5       3. Certify to all official acts;

6       4. For cause, issue subpoenas for the attendance of witnesses and the  
7 production of books and papers.

8       **SEC. 33.** 1. Process issued by the administrator extends to all parts  
9 of the state and may be served by any person authorized to serve process  
10 of courts of record.

11       2. A person who serves any process is entitled to receive compensa-  
12 tion allowed by the administrator. This compensation may not exceed  
13 the fees allowed to a sheriff for similar service.

14       3. Each witness who appears by order of the administrator is entitled  
15 to receive for his attendance the same fees and mileage allowed by law  
16 to a witness in civil cases, which amount must be paid by the party at  
17 whose request the witness was subpoenaed.

18       **SEC. 34.** 1. The district court in the county in which a hearing is  
19 to be held may compel the attendance of witnesses, the giving of testi-  
20 mony and the production of books and papers as requested by any  
21 subpoena issued by the administrator.

22       2. If a witness refuses to attend, testify or produce any papers  
23 required by a subpoena, the administrator may report to the district court  
24 in the county in which the hearing is pending by petition, setting forth  
25 that:

26       (a) Due notice has been given of the time and place of attendance  
27 of the witness or the production of the books and papers;

28       (b) The witness has been subpoenaed in the manner prescribed in this  
29 chapter;

30       (c) The witness has failed and refused to attend or produce the  
31 papers required by subpoena before the administrator in the cause or  
32 proceeding named in the subpoena or has refused to answer questions  
33 propounded to him in the course of the hearing, and asking an order  
34 of the court compelling the witness to attend and testify or produce the  
35 books or papers before the administrator.

36       3. The court, upon petition of the administrator, may enter an order  
37 directing the witness to appear before the court at a time and place to  
38 be fixed by the court in the order. The time fixed must not be more than  
39 10 days after the date of the order. The order must command the  
40 respondent to show cause why he has not attended, testified or produced  
41 the books or papers before the administrator. A certified copy of the  
42 order must be served upon the witness. If it appears to the court that  
43 the subpoena was regularly issued by the administrator, the court may  
44 enter an order that the witness appear before the administrator at the  
45 time and place fixed in the order and testify or produce the required  
46 books or papers. If the witness fails or refuses to obey the order, the  
47 witness may be held in contempt of court.

48       **SEC. 35.** 1. The administrator may, in any hearing before him,  
49 cause the depositions of witnesses to be taken in the manner prescribed  
50 by the Nevada Rules of Civil Procedure for like depositions in civil

1 actions in a district court of this state and, to that end, may compel the  
2 attendance of witnesses and the production of books and papers.

3 2. The clerk of the district court in the county in which any hearing  
4 is held shall, upon the application of the administrator, issue commis-  
5 sions or letters rogatory to other states for the taking of evidence therein  
6 for use in any proceedings before the administrator.

7 3. Any party to any hearing before the administrator may compel the  
8 attendance of witnesses in his behalf at the hearing, or upon deposition,  
9 upon making request for a subpoena to the administrator and designating  
10 the name and address of the person or persons sought to be compelled to  
11 attend and testify.

12 4. The administrator shall classify as confidential the following rec-  
13 ords and information obtained by the division:

14 (a) Lists of prospective purchasers;

15 (b) Lists of purchasers with whom a sale has been consummated; and

16 (c) Any other information which he determines to be a trade secret.

17 Matters so classified as confidential are trade secrets within the meaning  
18 of NRS 49.325.

19 SEC. 36. All money received by the division pursuant to this chapter  
20 must be deposited in the state general fund. Money for the support of  
21 the division in the carrying out of its duties pursuant to this chapter must  
22 be provided by direct legislative appropriation and be paid out as other  
23 claims against the state are paid.

24 SEC. 37. Any developer proposing to offer or sell in this state time  
25 shares in a time-share property which is intended to have more than 12  
26 time shares shall submit to the division an application in writing which  
27 contains:

28 1. The name and address of each person who owns or controls an  
29 interest of 10 percent or more in the time-share property and, where  
30 applicable, in the entire project.

31 2. The name, principal occupation and address of each officer, direc-  
32 tor, partner, owner, associate or trustee of the developer.

33 3. The legal description of the time-share property and, where appli-  
34 cable, of the property involved in the entire project.

35 4. An opinion of counsel concerning the condition of title to the time-  
36 share property and, where applicable, to the entire project, particularly  
37 including all blanket encumbrances thereon, together with payment terms  
38 and any incidents of acceleration of the encumbrances. For the purposes  
39 of this subsection, "blanket encumbrance" means a deed of trust, mort-  
40 gage, judgment, option to purchase, contract to sell, lien, security agree-  
41 ment, financing statement or a trust agreement affecting real or personal  
42 property comprising more than one interest within a time-share property  
43 or project. The term does not include any lien or other encumbrance aris-  
44 ing as the result of any tax.

45 5. A statement of the terms and conditions on which it is intended  
46 to dispose of the time shares, together with copies of the instruments  
47 which will be delivered to a purchaser to evidence his interest in the time-  
48 share property and of the contracts and other agreements which a pur-  
49 chaser will be required to agree to or sign.

50 6. A statement of the provisions, if any, that have been made for

1 public utilities for the proposed time-share property and, where appli-  
2 cable, the proposed project, including water, electricity, gas, telephone  
3 and sewerage facilities.

4 7. A statement of the use or uses for which the proposed time-share  
5 property and, where applicable, the proposed project will be offered.

6 8. A statement of the provisions, if any, limiting the use or occu-  
7 pancy of the time-share parcels.

8 9. A general description of the time-share parcels, including the  
9 developer's schedule of commencement and completion of all buildings,  
10 units and amenities or, if completed, a statement that they have been  
11 completed.

12 10. As to all units offered by the developer in a project:

13 (a) The types and number of units;

14 (b) Identification of units in which time shares have been created; and

15 (c) The estimated number of units in which time shares may be  
16 created.

17 11. A statement or reasonable estimate, if applicable, of the amount  
18 of indebtedness which has been or is proposed to be incurred by an  
19 existing or proposed special district, taxing area or assessment district  
20 within the boundaries of which the time-share property or project, or any  
21 part thereof, is located, which is to pay for the construction or installation  
22 of any improvement or to furnish community or recreational facilities to  
23 the time-share property or the project, and which is to be obtained by ad  
24 valorem tax, by assessment or by a special assessment or tax upon the  
25 time-share property or project or any part thereof.

26 12. If applicable, any current budget and a projected budget for the  
27 time shares for 1 year after the date of the first sale to a purchaser. The  
28 budget must include at least:

29 (a) A statement of the amount or a statement that there is no amount  
30 included in the budget as a reserve for repairs and replacement;

31 (b) The projected liability for time-share expenses, if any, by category  
32 of expenditures for each time share;

33 (c) The projected liability for time-share expenses for all time shares;  
34 and

35 (d) A statement of any services not reflected in the budget which the  
36 developer provides or expenses that it pays, and whether the developer  
37 has provided financial assurances.

38 13. Any initial or special fee due from the purchaser at time of  
39 sale, together with a description of the purpose and method of calcu-  
40 lating the fee.

41 14. A description of any financing offered by the developer.

42 15. A statement of any pending suits material to the time-share prop-  
43 erty, the project or the developer of which the developer has knowledge.

44 16. Any restraints on alienation of any number or portion of any  
45 time shares.

46 17. A description of the insurance coverage or a statement that there  
47 is no insurance coverage provided for the benefit of time-share owners.

48 18. Any current or expected fees or charges to be paid by time-  
49 share owners for the use of any facilities related to the time-share prop-  
50 erty.

1 19. The extent to which financial arrangements have been provided  
2 for the completion of all promised improvements, if such arrangements  
3 have been made.

4 20. Such other information as the developer may desire to present.

5 21. A completed application for a public offering statement in such  
6 form and containing such additional information as the division may  
7 require.

8 22. Any governmental restriction which would prohibit reconstruction  
9 of the time-share property or the project in the event of condemna-  
10 tion or destruction which would limit the size or character of the  
11 time-share property or project.

12 23. The fees prescribed by this chapter.

13 SEC. 38. 1. The division shall, before issuing any public offering  
14 statement or amendment thereto under this chapter to any developer,  
15 investigate all information placed before it as may be required pursuant to  
16 this chapter and, if in the judgment of the division it is necessary, shall  
17 inspect the property which is the subject of the application. All reason-  
18 able expenses incurred by the division in carrying out such an investiga-  
19 tion or inspection must be paid by the applicant, and no public offering  
20 statement or amendment thereto may be issued until these expenses have  
21 been fully paid.

22 2. Payments received by the division pursuant to this section must  
23 be deposited in an investigative account. The administrator shall use  
24 this account to pay the reasonable expenses of agents and employees of  
25 the division in making the investigation, inspections or reinspections  
26 under this section for which the payments were received. The adminis-  
27 trator may advance money for such expenses when appropriate.

28 3. Each expenditure from the investigative account must be audited,  
29 allowed and paid as other claims against the state are paid.

30 SEC. 39. 1. The administrator shall make an examination of the  
31 original application or request for amendment and shall, unless there are  
32 grounds for denial, issue to the developer a public offering statement or  
33 amendment public offering statement authorizing the sale or the offer for  
34 sale in this state of time shares in the time-share property. The public  
35 offering statement must contain the data obtained in accordance with sec-  
36 tion 37 of this act and other information which the administrator deter-  
37 mines is necessary to carry out the purposes of this chapter. Both the  
38 form and the content of the public offering statement are subject to the  
39 approval of the administrator.

40 2. The administrator may deny a statement or amendment thereto if  
41 he finds that:

42 (a) The developer has failed to comply with any of the provisions  
43 of this chapter.

44 (b) The sale of the estates or licenses would constitute misrepresenta-  
45 tion, deceit or fraud.

46 (c) The developer is unable to deliver the title or other interest  
47 contracted for.

48 (d) The developer has failed to show that the time shares can be  
49 used for the purpose for which they are offered.

50 (e) The developer has failed to provide in the contract or other

1 writing the use or uses for which the time shares are offered, together  
2 with any covenants or conditions relative to them.

3 (f) Provisions for management or other services pertaining to com-  
4 mon facilities in the offering are unsatisfactory.

5 (g) There are substantial questions as to the financial viability of the  
6 development of the time-share property.

7 SEC. 40. 1. If the administrator finds that grounds for denial exist,  
8 he shall issue an order so stating to the developer no later than 30 days  
9 after he received the application. The administrator may extend the time  
10 for an additional 30 days if necessary.

11 2. If the administrator issues an order of denial, the developer may  
12 appeal to the director who shall, after opportunity for a hearing, either  
13 confirm the denial or order the issuance of a public offering statement  
14 or amendment thereto, as the case may be.

15 SEC. 41. If it appears to the administrator that an application or  
16 any amendment thereto is on its face incomplete or inaccurate in any  
17 material respect, the administrator shall so advise the developer within  
18 30 days after the filing of the application or the amendment. Notification  
19 suspends the effective date of the application or the amendment until 30  
20 days after the developer files the additional information which the admin-  
21 istrator requires. Any developer who receives a notice pursuant to this  
22 section may request a hearing, and the hearing must be held within 20  
23 days after the request is received by the administrator.

24 SEC. 42. 1. The administrator may issue an order directing a devel-  
25 oper to cease engaging in activities for which the developer has not  
26 received a permit under this chapter or conducting activities in a manner  
27 not in compliance with the terms of his permit.

28 2. The order to cease must be in writing and must state that, in the  
29 opinion of the administrator, the developer has not been issued a permit  
30 for the activity or the terms of the permit do not allow the developer to  
31 conduct the activity in that manner. The developer shall not engage in  
32 any activity regulated by this chapter after he receives such an order. In  
33 addition to any other penalty which may be imposed, a developer who  
34 violates such an order is liable for an administrative penalty of \$100 for  
35 each day of violation.

36 3. Within 30 days after receiving such an order, a developer may file  
37 a verified petition with the administrator for a hearing, alleging that the  
38 order precludes him from engaging in a substantial portion of his busi-  
39 ness under this chapter.

40 4. The administrator shall, within 10 days after receiving the peti-  
41 tion, bring an action in a district court of the State of Nevada in the  
42 county in which the activity is occurring to enjoin the person from con-  
43 tinuing that activity pending the completion of hearings as prescribed by  
44 this chapter. The administrator's order to cease must be rescinded upon  
45 the entering of a decision by the court or 10 days after the administrator  
46 receives the petition unless the administrator brings an action within that  
47 time.

48 SEC. 43. 1. Within 30 days after receiving an order directing him to  
49 cease an activity, a developer may file a verified petition with the admin-  
50 istrator for a hearing before the administrator. The petition does not



1 require an allegation that the administrator's order precludes the devel-  
2 oper from engaging in a substantial portion of his business under this  
3 chapter.

4 2. The administrator shall hold a hearing within 30 days after the  
5 petition has been filed, unless the party requesting the hearing submits a  
6 written request for postponement at least 3 working days before the date  
7 set for hearing.

8 3. If, after a request for a hearing, the administrator does not hold  
9 a hearing within 30 days or within the extended time if a postponement  
10 is requested, or does not render a decision within 45 days after submis-  
11 sion of the matter, the order expires.

12 SEC. 44. 1. Whenever the administrator believes that any person has  
13 violated any order, regulation, permit, decision, demand or requirement,  
14 or any of the provisions of this chapter, he may bring an action in the  
15 district court in the county in which the person resides or maintains his  
16 principal place of business or, if the person resides outside the state, in  
17 any court of competent jurisdiction within or outside the state, against the  
18 person to enjoin him from continuing the violation.

19 2. The administrator may intervene in any action involving a time-  
20 share property, a project or a time share if intervention is necessary in the  
21 public interest and for the protection of purchasers.

22 SEC. 45. If the time-share owners are to be permitted or required  
23 to participate in any program for the exchange of occupancy rights  
24 among themselves or with the owners of time shares in other time-share  
25 properties, or both, the public offering statement or a supplement deliv-  
26 ered with the statement must fully and accurately disclose information  
27 about the program including, but not limited to, the terms, conditions and  
28 costs.

29 SEC. 46. 1. Any purchase of a time share is voidable by either party  
30 thereto, without penalty, for 3 days after either the date of purchase or  
31 the day on which the purchaser receives the public offering statement,  
32 whichever is later.

33 2. If either party elects to cancel a contract pursuant to this section,  
34 he may do so by delivering notice thereof to the other party in person  
35 or by mailing notice by prepaid United States mail to the other party.

36 3. The developer shall immediately return all payments which he  
37 has received, and the purchaser shall return all materials which he has  
38 received in good condition, reasonable wear and tear excepted. If the  
39 materials are not returned in good condition, reasonable wear and tear  
40 excepted, the developer may deduct the reasonable cost of the materials  
41 or the cost of repairing them, whichever is less, and return the balance  
42 to the purchaser.

43 SEC. 47. 1. Any time-share property for which a public offering  
44 statement has been applied for and received does not require registration  
45 under chapter 90 or chapter 119 of NRS or any other state law which  
46 requires the preparation of a public offering statement or substantially  
47 similar document for distribution to purchasers.

48 2. A time share is not a security for the purposes of chapter 90 of  
49 NRS solely because the price at which the owner may sell or exchange  
50 the time share is not restricted by the time-share instrument.

1 SEC. 48. A public offering statement need not be delivered to a  
2 purchaser in the case of:

3 1. Any transfer of a time share by any time-share owner other than  
4 the developer or his agent;

5 2. Any disposition pursuant to court order;

6 3. Disposition by a government or an agency of government;

7 4. A foreclosure or deed in lieu of foreclosure;

8 5. Disposition of a time share in a time-share property situated wholly  
9 outside this state, if all solicitations, negotiations and contracts took place  
10 outside this state and the contract was executed outside this state;

11 6. A gratuitous transfer of a time share;

12 SEC. 49. The developer shall request the administrator to amend or  
13 supplement the public offering statement within 15 days after any  
14 material change in the information required by section 37 of this act.

15 Any purchaser of time shares from the developer may rescind the pur-  
16 chase, without penalty, for 3 days after the day on which the purchaser  
17 receives notice of a material change affecting those time shares, if the  
18 change occurred before the date of purchase and the public offering state-  
19 ment did not reflect the change.

20 SEC. 50. The public offering statement required to be provided to  
21 a purchaser by this chapter must be delivered to and reviewed with  
22 each purchaser by the developer or sales representative before or at  
23 the time of sale of any 1 time share. The developer shall obtain from the  
24 purchaser a signed receipt for the public offering statement and keep the  
25 receipt and copies of all documents relating to the purchase on file for  
26 at least 6 years after the date of sale. These records are subject to  
27 inspection by the division.

28 SEC. 51. No officer or employee of the division or any association,  
29 firm or corporation with which an officer or employee is associated  
30 may act as a sales representative of a project or time-share property.

31 SEC. 52. The developer is responsible for the acts of each sales  
32 representative and any other person whom he employs or engages to  
33 represent him if:

34 1. The acts are performed within the scope of the employment or  
35 engagement; or

36 2. The acts relate to the sale of the project or time-share property of  
37 the developer and the developer knows or should have known of the acts,  
38 even though they are outside the scope of the employment or engagement.

39 SEC. 53. A developer may not:

40 1. Refer to any officer or employee of the division in offering or  
41 selling a time share; or

42 2. Make any representation that the time-share property or time-share  
43 parcel has been inspected, approved or otherwise passed upon by the  
44 division or any other official, department or employee of the state other  
45 than as appears in the public offering statement.

46 SEC. 54. 1. The division may at any time review advertisements for  
47 time shares and may require the developer to make modifications which  
48 it deems necessary to comply with the provisions of this chapter.

49 2. The owner, publisher, licensee or operator of any newspaper,  
50 magazine, television or radio broadcasting station or network of stations

1 or the agents or employees of any such owner, publisher, licensee or oper-  
2 ator of such a newspaper, magazine, station or network of stations are not  
3 liable under this chapter for any advertising of any time share carried in  
4 the newspaper, magazine or by the television or radio broadcasting sta-  
5 tion or network of stations, nor are any of them liable under this chapter  
6 for the contents of any advertisement.

7 **SEC. 55.** 1. Except as expressly modified by this chapter, a time-  
8 share estate:

9 (a) Which confers possession during a potentially infinite number of  
10 separated periods of time is an estate in fee simple and has the char-  
11 acter and incidents of an estate in fee simple at common law.

12 (b) Which confers possession during 5 or more separated periods  
13 of time over a finite number of years which equals 5 or more, including  
14 options to renew, is an estate for a term of years and has the character  
15 and incidents of an estate for a term of years at common law.

16 2. Each time-share estate constitutes for all purposes a separate  
17 estate in real property.

18 **SEC. 56.** A time share owner's interest in a time-share estate is not  
19 affected by the sale of other portions of the time-share property or the  
20 project upon foreclosure of a subsequent mortgage or pursuant to a power  
21 of sale created by a subsequent deed of trust. If a sale is had under a prior  
22 mortgage or deed of trust, no advances are chargeable against any time-  
23 share estate which were made after the date of its creation.

24 **SEC. 57.** 1. Each time-share property must be assessed as one prop-  
25 erty.

26 2. Notices of assessments and bills for taxes must be sent to the resi-  
27 dent agent or management agent for the association of time-share owners.  
28 The association is liable for the taxes on the time-share property. If there  
29 is no association, the owners of the time shares shall furnish to the county  
30 assessor the mailing address to which notices of assessments and tax bills  
31 must be sent.

32 3. The aggregate assessed valuation of the time-share estates in a  
33 time-share property must not exceed the valuation of a physically similar  
34 property not divided into time shares, and the assessed valuation of a  
35 property must not be increased because it is used for time-share licenses.

36 **SEC. 58.** A document which transfers or encumbers a time-share  
37 estate may not be rejected for recording because of the nature or dura-  
38 tion of that estate.

39 **SEC. 59.** 1. Except as provided in subsection 2, a building code or a  
40 zoning, subdivision or other ordinance or regulation may not prohibit the  
41 creation of time shares or impose any requirement upon a time-share  
42 property which it would not impose upon a similar development under a  
43 different form of ownership.

44 2. This section does not prohibit a local government from enacting  
45 business license regulations regarding time shares which are not inconsis-  
46 tent with the provisions of this chapter and the regulations adopted  
47 thereunder, or from requiring that the developer of a time-share property  
48 obtain a conditional use permit from the appropriate zoning authorities  
49 before locating it in a district that is primarily zoned for residential use.

50 **SEC. 60.** 1. A time-share license:

1 (a) Is a contractual right to occupy premises described in the license  
2 at times stated. The contractual right ceases to be effective if the prop-  
3 erty in which the license otherwise confers a right is sold upon foreclosure  
4 of a mortgage or pursuant to a power of sale created by a deed of trust.

5 (b) Is not a recordable interest. A county recorder may not index a  
6 time-share license in a real estate index or with deeds and other con-  
7 veyances unless the recorder maintains only one series of books con-  
8 stituting his official records.

9 (c) Does not create a lien or security interest in the property in which  
10 the license confers a right, and is not entitled to any priority in any fore-  
11 closure, bankruptcy or other proceeding involving the property.

12 2. Each sales representative or other person who offers to sell a  
13 time-share license shall disclose the provisions of subsection 1 in:

14 (a) The offering;

15 (b) Each instrument which creates a time-share license; and

16 (c) As required by regulations adopted by the division.

17 SEC. 61. (Deleted by amendment.)

18 SEC. 62. A time-share instrument must contain or provide for:

19 1. A legally sufficient description of the time-share property and  
20 the name or other identification of the project, if any, within which it is  
21 situated;

22 2. The name of the county or counties in which the time-share prop-  
23 erty is situated;

24 3. Identification of time periods by letter, name, number or a combi-  
25 nation of letters, names and numbers;

26 4. The liability for time-share expenses and any voting rights  
27 assigned to each time share, and, where applicable to each unit in which  
28 time shares are not created;

29 5. If additional time-share parcels may become part of the time-share  
30 property, the method of making them a part of the property and the for-  
31 mula for allocation and reallocation of the liabilities for time-share  
32 expenses and of voting rights;

33 6. Any restrictions on the use, occupancy or alteration of time-share  
34 parcels or the alienation of time shares;

35 7. The ownership interest, if any, in personal property and pro-  
36 visions for care and replacement;

37 8. In the case of time-share licenses, the period for which the time-  
38 share parcels affected are committed to those licenses and exactly what  
39 occurs in relation to those parcels at the end of the period; and

40 9. Any requirements for amendments of the time-share instrument.  
41 The time-share instrument may provide for any other matters the  
42 developer or division deems appropriate.

43 SEC. 63. The division may require that a time-share instrument pre-  
44 scribe in detail reasonable arrangements for the management and opera-  
45 tion of the time-share property and for the maintenance, repair and  
46 furnishing of time-share parcels. The instrument may include, without  
47 limitation, the following items or a statement there is no provision for the  
48 item:

1 1. Creation of an association of time-share owners, if such an associa-  
2 tion is to exist.

3 2. Adoption of bylaws for organizing and operating the association,  
4 if such an association is to exist.

5 3. Payment of costs and expenses of operating the time-share prop-  
6 erty and maintaining the time-share parcels.

7 4. Employment and termination of employment of the managing  
8 agent, if one is employed.

9 5. Preparation and dissemination to the time-share owners of an  
10 annual budget and of operating statements and other financial informa-  
11 tion concerning the time-share property.

12 6. Adoption of standards and rules of conduct for the use and occu-  
13 pancy of time-share parcels by the time-share owners.

14 7. Collection of assessments from owners to defray the expenses of  
15 management of the time-share property, maintenance of the time-share  
16 parcels and reserves for replacement of items that become lost or unus-  
17 able.

18 8. Comprehensive general liability insurance for death, bodily injury  
19 and property damage arising out of or in connection with the use of  
20 time-share parcels by time-share owners, their guests and other users

21 9. Methods, if any, for providing compensating periods of use or  
22 monetary compensation to time-share owners if a time-share parcel can-  
23 not be made available for the period to which the owner is entitled by  
24 schedule or by confirmed reservation.

25 10. Procedures for imposing a monetary penalty or suspension of  
26 time-share owner's rights and privileges in the time-share property for  
27 failure of that owner to comply with provisions of the time-share instru-  
28 ments or the rules of the association with respect to the use of the time-  
29 share parcels.

30 11. Employment of attorneys, accountants and other professionally  
31 qualified persons, as necessary, to assist in the management of the time-  
32 share property.

33 SEC. 64. 1. A time-share instrument may provide for a period dur-  
34 ing which the developer or a managing agent selected by the developer  
35 may manage the time-share property.

36 2. If the time-share instrument provides for such a period, it may  
37 include provisions for:

38 (a) Termination of that period by action of the association.

39 (b) Termination of contracts for goods and services for the time-share  
40 property or for time-share parcels within it which were entered into dur-  
41 ing that period if such contracts were made.

42 SEC. 65. No judicial action for partition of a time-share parcel may  
43 be undertaken except as may be permitted by the time-share instrument.

44 SEC. 66. If a lien other than a deed of trust or mortgage becomes  
45 effective against more than one time-share estate, any time-share owner  
46 is entitled to a release of his time-share estate from the lien upon pay-  
47 ment of his proportionate liability for the lien in accordance with liability  
48 for time-share expense unless he or his predecessor in title agreed other-  
49 wise with the lienor. After payment, the managing entity may not assess

1 or have a lien against that time-share estate for any portion of the time-  
2 share expenses incurred in connection with that lien.

3 SEC. 67. The division shall collect the following fees:

4 1. For each application for a public offering statement, \$250.

5 2. For each time share in the time-share property to which an appli-  
6 cation applies in excess of 50, \$5.

7 3. For each application for an amendment to a public offering state-  
8 ment, \$250.

9 The division may not collect more than \$2,500 for time shares pursuant  
10 to subsection 2 for any one application.

11 SEC. 68. 1. Where any part of the public offering statement, when  
12 delivered to the purchaser, contained an untrue statement of a material  
13 fact or omitted to state a material fact required to be stated therein, any  
14 person who purchases a time share covered by the statement from the  
15 developer during the time that the application remained uncorrected may  
16 recover his damages from the developer in any court of competent juris-  
17 diction unless he knew of the untruth or omission.

18 2. Any developer or sales representative who sells a time share in  
19 violation of this chapter or by means of a public offering statement which  
20 contained an untrue statement of a material fact or omitted to state a  
21 material fact required to be stated therein, is liable to the purchaser of the  
22 time share for his damages.

23 3. Any person who purchases a time share sold by a developer in  
24 violation of this chapter or by means of a public offering statement which  
25 contained an untrue statement of a material fact or omitted to state a  
26 material fact required to be stated therein, is entitled to seek rescission of  
27 the purchase or any other remedy allowed by law.

28 SEC. 69. 1. Any person who violates a provision of this chapter is  
29 guilty of a gross misdemeanor, and, if a partnership, association or cor-  
30 poration, shall be punished by a fine of not more than \$10,000 for each  
31 offense.

32 2. Any person who obtains or attempts to obtain a public offering  
33 statement from the division by means of deceit, fraud or material misrep-  
34 resentation,  
35 is guilty of a gross misdemeanor.

36 3. Any officer or agent of a corporation or member or agent of a  
37 partnership or association, who personally participates in or is accessory  
38 to any violation of this chapter by the partnership, association or cor-  
39 poration is guilty of a gross misdemeanor.

40 SEC. 70. 1. All time shares sold to purchasers before July 1, 1981,  
41 are exempt from the provisions of this act.

42 2. Any project for which a property report was issued before July 1,  
43 1981, under the provisions of chapter 119 of NRS and the regulations  
44 adopted thereunder need not comply with the requirements of this chapter  
45 for a public offering statement, but before January 1, 1982, the developer  
46 must submit to the division a written supplement to the property report  
47 describing in detail the arrangements for the management and operation  
48 of the time-share property as required by section 63 of this act. When the  
49 division approves the supplement, it must reissue the property report, as

1 supplemented, as a public offering statement under the provisions of this  
2 chapter. The project is thereafter subject to all the provisions of this chap-  
3 ter.

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