

MINUTES OF THE  
MEETING OF THE SENATE COMMITTEE  
ON JUDICIARY

SIXTY-FIRST SESSION  
NEVADA STATE LEGISLATURE  
May 8, 1981

The Senate Committee on Judiciary was called to order by Chairman Melvin D. Close at 8:10 a.m., Friday, May 8, 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 Jean E. Ford  
Senator William J. Raggio  
Senator William H. Hernstadt  
Senator Sue Wagner

STAFF MEMBERS PRESENT:

Sally Boyes, Committee Secretary

SENATE BILL NO. 321:

Clarifies certain provisions of law relating to estates of decedents.

Chairman Close read the amendments as proposed.

Senator Wagner moved to concur with amendment No. 646 on S.B. 321.

Senator Hernstadt seconded the motion.

The motion carried unanimously. (Senator Keith Ashworth was absent for the vote.)

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SENATE BILL NO. 307:

Removes requirement for presentence report in certain cases.

Chairman Close stated this bill resolved the conflict between S.B. 247.

Senator Hernstadt moved to concur with the amendments as proposed.

Senator Raggio seconded the motion.

The motion carried unanimously. (Senator Keith Ashworth was absent for the vote.)

SENATE BILL NO. 254:

Makes various provisions for discharge from parole and probation.

The committee reviewed the amendments.

Senator Ford moved to concur with the amendments as proposed.

Senator Wagner seconded the motion.

The motion carried unanimously. (Senator Keith Ashworth was absent for the vote.)

SENATE BILL NO. 255:

Revises certain provisions concerning violation of parole and probation.

The committee reviewed the amendments.

Senator Don Ashworth moved to concur with the amendments as proposed.

Senator Raggio seconded the motion.

The motion carried unanimously. (Senator Keith Ashworth was absent for the vote.)

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SENATE BILL NO. 447:

Authorizes probate of will as muniment of title.

The committee discussed the proposed amendments.

Senator Don Ashworth moved amend and do pass S.B. 447.

Senator Wagner seconded the motion.

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

SENATE BILL NO. 415:

Expands definition of "condominium" to cover mobile home parks.

Senator Hernstadt stated the question is whether it is called a condominium or something else. There is common control by a group for that. Chairman Close stated law presently required the "condiments of the builder" to have a condominium. Senator Raggio stated the the condominium law refers only to space in a building. Senator Ford read the minutes of April 1, 1981 regarding previous discussion on this bill. Senator Raggio stated he felt the bill was adequately written.

Senator Ford moved do pass S.B. No. 415.

Senator Hernstadt seconded the motion.

The motion carried unanimously.

SENATE BILL NO. 429: Regulates sale of time-share estates and licenses.

Chairman Close stated one of the critical portions of the bill was on page 16. Senator Raggio stated this portion relates to the right to use concept only; he felt these should not be recordable interests. He demonstrated on the board about one building of several buildings being a time-share building; a lender will not loan money when one building out of several is a time-share building. Senator Hernstadt stated the solution could be a non-disturbance clause which would protect the right to use owners; should the loan not be contemplated in the original public offering statement or was not used to improve the property; non-disturbance clauses would not be allowed if a re-financing were contemplated in the original public offering statement or that the re-financing were used to improve the property generally. Chairman Close stated he felt the problem was

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when a person buys a time-share; he knows the obligation against the time-share building; this is stated in the public offering statement. That person knows if the payments are not made on an existing note, interest on the time-share would be lost. Should all the time-share interests be sold, the owner can then re-finance the building and not reinvest the money in the project; the lender can then foreclose on the building and all time-share interests would be lost. Senator Wagner asked if it was a common practice to have time-share buildings mixed with other buildings. Senator Raggio stated it was. He felt there should be some protection in the law for the time-share owner in regard to disclosure, selling practices of salemen, false statements and letting the division have some control over statements in regard to time-share properties. Senator Raggio suggested there should be a new section of the bill. He felt the section should state, if a person is going to time-share a single facility, that the time-share estate concept must be applied. This gives a fee free of all interest. Should only a portion be time-shared of a building it would have to be done all with the same concept. Senator Wagner stated it should be made clear there is some point that the entire property would have to be made into time-shares. Chairman Close stated time-share license would be used when only a portion of the building would be time-shared. The time-share estates would use the non-disturbance clause. Subsection g would be added to the bill on page 11 of the redraft to state there is substantial question as to the projects financial viability.

SENATE BILL NO. 429:

Regulates sale of time-share estates and time-share licenses.

Senator Hernstadt moved amend and do pass S.B. No. 429.

Senator Ford seconded the motion.

The motion carried unanimously. (Senator Wagner was absent for the vote.)

SENATE BILL NO. 502:

Limits local gaming license fees and investigations.

Chairman Close stated there was a problem with the bill in that county was taken out of the gross revenue but sufficient time was not allowed for them to establish a flat tax. Senator Hernstadt stated the action of the committee should be reconsidered.

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Patrick Pine, Clark County, stated the local gaming revenues go to the the general fund, county wide. Some of the slot rebates were, by law, sent back to the town of origin rather than county wide. Talking about the cap on gaming revenue, it effects every one in the county not just specific people in specific towns. Senator Raggio stated the cap is on the amount of revenue that may be generated from the tax. The rate stays the same; it cannot be changed without approval. The amount of tax generated is limited to 80% of the C.P.I. Mr. Pine stated he had conferred with Mr. Daykin, Legislative Counsel, and did confirm that S.B.134 at this time, as it is written, does not preclude other entities from converting from gross to flat or vise versa. He stated Mr. Daykin would give a written opinion to that effect.

Senator Raggio stated the other problem would be preserving the gross revenue tax availability to the state. This is a problem the committee should consider. Senator Ford stated she felt it was not right to allow Clark County only to have a gross tax and not give the other counties that same option. She felt it was a good concept. Chairman Close asked if it was possible to decrease the ratio so there would never be more than million dollars in gross revenue. Mr. Pine stated it has already been spoken publicly that they would be willing to hold the gross revenue rate where it was presently. Senator Ford stated the concern was between the gaming revenue and other kinds of revenue. Gaming should not move up so much that they would pay a greater proportion. Senator Ford stated the C.P.I. is cutting across the entire rate. Mr. Pine stated the indexes is where the problem is. The rate could be geared, but how growth could be geared is some thing that would have to be worked on. The cap on the rate would be acceptable, but considerable problems would arise trying to apply indexes.

Mr. Pine stated there would have to be an amendment is S.B. 411. Senator Raggio stated taxation would be handled by other bills.

SENATE BILL NO. 502:

Limits local gaming license fees and investigations.

Senator Hernstadt moved to reconsider S.B. No. 502.

Senator Ford seconded the motion.

The motion carried with Senator Keith Ashworth not voting.

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Chairman Close reviewed the changes the committee proposed. Should Clark County be allowed to continue the gross tax or should other counties have that option; should revenue generated by the gross tax exceed the cap limit that was set the year before by S.B. 411; should it exceed that limit, the rate of tax must be reduced so the generation of income will be reduced to meet the cap as provided for in S.B. 411. The committee agreed these changes would be reviewed. This would allow for adjustment either way for the tax. Senator Keith Ashworth stated the policy of the two tax committees is there is no other entity in the state that should be allowed to go on the gross tax. The Judiciary committee seems to want to change that policy. He recommended the opinion of Mr. Daykin.

Mr. Pine stated there has been no question over the possibility of a cap on the gross revenue; it has not been considered about other entities converting; the type of cap on a gross gaming tax would present a question as to where the excess money would go - property relief or somewhere else.

SENATE BILL NO. 39:

Reduces duplication of state and local investigation for gaming licenses.

Chairman Close stated S.B. No. 39 was broken out into two bills. The reason for this was it appeared there was some problem between uniform gaming form and counties being involved in gaming. Senate Bill No. 645 is the result of that split.

SENATE BILL NO. 645:

Provides procedure for local investigation of applicants for gaming licenses.

Senator Hernstadt moved do pass S.B. 645.

Senator Don Ashworth seconded the motion.

The motion carried unanimously. (Senator Keith Ashworth was absent for the vote.)

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SENATE BILL NO. 609:

Provides for realignment of and increases number of judges in certain judicial districts.

Chairman Close stated page two, line four, should be Churchill and Lyon counties, line six, Elko stays the same, line seven, Esmeralda, Mineral and Nye counties stay the same, line nine, Humboldt, Pershing and Lander, line 10, Lincoln, White Pine and Eureka, line 11, Douglas county. The committee agreed this should be the new alignment of judges. The committee recommended Douglas county needed an additional judge; the counties of Humboldt, Pershing and Lander also needed an additional judge.

Senator Hernstadt moved to redistrict as described above, and allow Douglas County another judge as well as the now combined counties of Humboldt, Pershing and Lander.

Senator Wagner seconded the motion.

The motion carried unanimously.

Senator Hernstadt moved amend and do pass S.B. No. 609 and re-refer to Finance Committee.

Senator Wagner seconded the motion.

The motion carried unanimously.

SENATE BILL NO. 271:

Provides punishment for racketeering activities.

Senator Ford stated this bill should be processed so a tool would be provided for the prevention of the mafia taking over. Senator Wagner stated she felt the bill was too broad.

The following Bill Drafters Request's were presented and received for committee introduction:

BILL DRAFTERS REQUEST NO. 2-1611\* (S.B. 660)

Makes optional provisions of Bankruptcy Act of 1978 which specify certain exemptions from execution inapplicable in Nevada.

\*2-1622

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BILL DRAFTERS REQUEST NO. 10-1846: (S.B. 659)

Allows creation of estate in community property with right of survivorship.

BILL DRAFTERS REQUEST NO. 3-2013: (S.B. 658)

Repeals requirement that claim against state or political sub-division thereof be presented within six months.

There being no further business, the meeting was adjourned at 10:20 a.m.

Respectfully submitted by,

Sally Boyes  
Sally Boyes, Secretary

APPROVED BY:

Mel. Ollrog  
Senator Melvin D. Close, Chairman

DATE: May 16, 1981



SENATE AGENDA

COMMITTEE MEETINGS

Committee on JUDICIARY, Room 213.

Day Friday, Date May 8, Time 8:00 a.m.

WORK SESSION

ATTENDANCE ROSTER FOR

EXHIBIT B  
COMTEE MEETINGS

SENATE COMMITTEE ON JUDICIARY

DATE: May 8, 1981

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NAME	ORGANIZATION & ADDRESS	TELEPHONE
<i>Ellen Pape</i>	<i>Churchill Co. P.O. Box 321 Fuller Ave</i>	<i>423-5296</i>

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 447

SENATE BILL NO. 447—COMMITTEE ON JUDICIARY

MARCH 25, 1981

Referred to Committee on Judiciary

SUMMARY—Authorizes probate of will as muniment of title. (BDR 12-1406)

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 estates of decedents; authorizing the probate of a will as a muniment of title to real property; 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 136 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 SEC. 2. 1. *The court may admit a will to probate as a muniment of*  
4 *title to real property when:*

5 (a) *The court determines that the will should be admitted to probate;*

6 (b) *No unpaid debts are owed by the estate of the decedent, except a*  
7 *debt secured by a lien on real property; and*

8 (c) *There is no necessity for formal administration of the estate.*

9 2. *An order which admits a will to probate as a muniment of title to*  
10 *real property and contains a legal description of that property is legal*  
11 *authority for any person dealing with the estate to transfer that property*  
12 *to the persons entitled to receive it under the will without the necessity*  
13 *of administration.*

14 3. *A person entitled to real property under the will may deal with it*  
15 *in the same manner as if the record of title to the property was vested in*  
16 *his name.*

17 SEC. 3. 1. *A petition for the probate of a will as a muniment of title*  
18 *to real property must contain a legal description of that real property and,*  
19 *in addition, must state:*

20 (a) *The jurisdictional facts.*

21 (b) *The names, ages and residences of the heirs, next of kin, devisees*  
22 *and legatees of the decedent, so far as known to the petitioner.*

23 (c) *That no unpaid debts are owed by the estate of the decedent other*  
24 *than those secured by a lien on real property.*

1 (d) That a formal administration of the estate is not needed.  
2 2. No defect in the form or in the statement of jurisdictional facts  
3 actually existing voids the probate of a will as a muniment of title to real  
4 property.

5 SEC. 4. NRS 136.070 is hereby amended to read as follows:

6 136.070 1. Any executor, devisee or legatee named in a will, or any  
7 other person interested in the estate, may, at any time after the death of  
8 the testator, petition the court having jurisdiction to have the will proved,  
9 whether [the same be] *it is* in writing or nuncupative, in his possession or  
10 not, lost or destroyed, or beyond the jurisdiction of the state.

11 2. Any person named in a will to execute it, though not in possession  
12 of the will, may present a petition to the district court having jurisdiction,  
13 praying that the person in possession of the will be required to produce it,  
14 that it may be admitted to probate [, and that] *and* letters testamentary  
15 be issued [.] *or that the will be admitted to probate as a muniment of*  
16 *title to real property.*

17 SEC. 5. NRS 136.100 is hereby amended to read as follows:

18 136.100 1. All petitions for the probate of a will and for the issuance  
19 of letters [shall] *or for the probate of a will as a muniment of title to*  
20 *real property must* be signed by the party petitioning, or the attorney for  
21 the petitioner, and filed with the clerk of the court, who shall set the  
22 petition for hearing.

23 2. Notice [shall] *must* be given as provided in NRS 155.020 to the  
24 heirs of the testator and the devisees and legatees named in the will and  
25 all persons named as executors who are not petitioning, and [shall] *must*  
26 state the filing of the petition, the object, and the time for proving [such]  
27 *the will.*

SENATE BILL NO. 415—COMMITTEE ON JUDICIARY

MARCH 16, 1981

Referred to Committee on Judiciary

SUMMARY—Expands definition of “condominium” to cover mobile home parks. (BDR 10-1232)

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 condominiums; expanding the definition of “condominium” so that mobile home parks are not excluded; 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 117.010 is hereby amended to read as follows:  
2 117.010 As used in this chapter:  
3 1. “Common areas” means the entire project excepting all units  
4 therein granted or reserved.  
5 2. “Condominium” means an estate in real property consisting of an  
6 undivided interest in common in portions of a parcel of real property  
7 together with [a]:  
8 (a) A separate interest in space in a residential, industrial or commer-  
9 cial building or industrial and commercial building on such real property,  
10 such as, but not restricted to, an apartment, office or store [.] ; or  
11 (b) A separate interest in air space only, without any building or struc-  
12 ture, to be used for a mobile home.  
13 A condominium may include in addition a separate interest in other  
14 portions of such real property. Such estate may, with respect to the  
15 duration of its enjoyment, be either [ :  
16 (a) An ] an estate of inheritance or perpetual estate [ ;  
17 (b) An ] , an estate for life [ : or  
18 (c) An ] , or an estate for years.  
19 3. “Project” means the entire parcel of real property divided or to be  
20 divided into condominiums, including all structures thereon.  
21 4. “To divide” real property means to divide the ownership thereof  
22 by conveying one or more condominiums therein but less than the whole  
23 thereof.

1 5. "Unit" means the elements of a condominium which are not  
2 owned in common with the owners of other condominiums in the project.

SENATE BILL NO. 41 COMMITTEE ON JUDICIARY

MARCH 16, 1951

Report to Committee on Judiciary

SUMMARY—Extensive definition of "condominium" to cover mobile homes  
and other structures. (S. 41-102)  
SPECIAL NOTE: Effect on Local Government: No  
Effect on the State or on Federal Government: No

The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:  
Section 1. That 117.010 a hereby amended to read as follows:  
117.010. As used in this chapter:  
1. "Common area" means the entire project excepting all units  
therein owned or tenanted.  
2. "Condominium" means an estate in real property consisting of an  
undivided interest in common in a portion of a project of real property  
together with [a]:  
(a) a separate interest in space in a residential building or structure,  
and including its incidental and appurtenant buildings on such real property,  
which are but not included in an apartment, office or store [ ] or  
(b) a separate interest in an office, warehouse and building or structure,  
there to be used for a warehouse.  
A condominium may include in addition a separate interest in other  
portions of such real property, such as may, with respect to the  
division of its ownership, be either [ ]  
(a) [a] an estate of inheritance in perpetuity or [ ]  
(b) [a] an estate for life or [ ]  
(c) [a] an estate for years.  
3. "Project" means the entire parcel of real property divided or to be  
divided into condominiums, including all structures thereon.  
4. "To divide" real property means to divide the ownership thereof  
by conveying one or more condominiums therein, but less than the whole  
thereof.

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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 68,  
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 previous 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. "Independent parcel" means a parcel of real property which  
18 is not part of any project.  
19 SEC. 9. "Manager" means any person, other than all time-share  
20 owners or the association, designated in or employed pursuant to the  
21 time-share instrument or project instrument to manage the property  
22 in which time shares have been created.  
23 SEC. 10. "Offering" means any advertisement, inducement, sollicita-  
24 tion, or attempt to encourage any person to acquire a time share, other  
25 than as security for an obligation. An advertisement in a newspaper or

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

6 SEC. 11. "Person" means a natural person, corporation, govern-  
7 ment, governmental subdivision or agency, business trust, estate, trust,  
8 partnership, association, joint venture or other legal or commercial  
9 entity.

10 SEC. 12. "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. 13. "Project instrument" means one or more recordable docu-  
14 ments, by whatever name denominated, applying to the whole of a  
15 project and containing restrictions or covenants regulating the use,  
16 occupancy or disposition of units in a project, including any amend-  
17 ments to the document but excluding any law, ordinance or govern-  
18 mental regulation.

19 SEC. 14. "Purchaser" means any person, other than a developer,  
20 who by means of a voluntary transfer acquires an interest in a time share  
21 other than as security for an obligation.

22 SEC. 15. "Sale" includes a lease, assignment or other transaction  
23 designed to convey an interest in a time share other than as security for  
24 an obligation.

25 SEC. 16. "Sales representative" means a person who sells or offers  
26 to sell a time share to a purchaser.

27 SEC. 17. "Time share" means a time-share estate or a time-share  
28 license.

29 SEC. 18. "Time-share estate" means a right to occupy a unit or  
30 independent parcel or any of several units or independent parcels during  
31 5 or more separated time periods over a period of at least 5 years, includ-  
32 ing renewal options, coupled with a freehold estate or an estate for years  
33 in a time-share property or a specified portion thereof.

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

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

38 2. Imposed on the time-share units by the entity governing a project  
39 of which the time-share property is a part, together with any allocations  
40 to reserves, but excluding purchase money payable for time shares.

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

43 SEC. 21. "Time-share license" means a right to occupy a unit or  
44 independent parcel or any of several units or independent parcels during  
45 five or more separated time periods over a period of more than 3 years,  
46 including renewal options, not coupled with a freehold estate or an estate  
47 for years.

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



1     **SEC. 23.** "Time-share parcel" means any independent parcel in which  
2 time shares exist.

3     **SEC. 24.** "Time-share property" means one or more units or inde-  
4 pendent parcels subject to the same time-share instrument, together with  
5 any other real estate or rights therein appurtenant to those units.

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

7     **SEC. 26.** "Unit" means that portion of a project which is designated  
8 for separate use.

9     **SEC. 27.** 1. This chapter applies to all time shares created in units  
10 and independent parcels within this state:

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

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

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

18     3. The time-share instrument of any time-share property created  
19 before July 1, 1981, may be amended to accomplish any result permitted  
20 by this chapter if the amendment is adopted in conformity with the appli-  
21 cable law and with the procedures and requirements specified by the  
22 instrument. If the amendment grants to any person the rights permitted  
23 by this chapter, all correlative obligations, liabilities and restrictions of  
24 this chapter also apply to that person.

25     4. This chapter does not apply to time shares in property located out-  
26 side this state.

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

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

34     2. The division may adopt regulations exempting any project from  
35 the provisions of this chapter if it finds that enforcement of those pro-  
36 visions with respect to the project is not necessary in the public interest  
37 and for the protection of time-share owners and prospective purchasers.

38     **SEC. 30.** The division may employ legal counsel, investigators and  
39 other professional consultants necessary to the discharge of its duties  
40 under this chapter.

41     **SEC. 31.** For any proceeding held pursuant to a provision of this  
42 chapter, the administrator may appoint a hearing officer from the staff  
43 of the department who shall act as his agent and conduct any hearing  
44 or investigation which may be conducted by the administrator pursuant  
45 to this chapter.

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

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

49         2. Administer oaths;

50         3. Certify to all official acts;

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

3 SEC. 33. 1. Process issued by the administrator extends to all parts  
4 of the state and may be served by any person authorized to serve process  
5 of courts of record.

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

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

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

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

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

23 (b) The witness has been subpoenaed in the manner prescribed in this  
24 chapter;

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

31 3. The court, upon petition of the administrator, may enter an order  
32 directing the witness to appear before the court at a time and place to  
33 be fixed by the court in the order. The time fixed must not be more than  
34 10 days after the date of the order. The order must command the  
35 respondent to show cause why he has not attended, testified or produced  
36 the books or papers before the administrator. A certified copy of the  
37 order must be served upon the witness. If it appears to the court that  
38 the subpoena was regularly issued by the administrator, the court may  
39 enter an order that the witness appear before the administrator at the  
40 time and place fixed in the order and testify or produce the required  
41 books or papers. If the witness fails or refuses to obey the order, the  
42 witness may be held in contempt of court.

43 SEC. 35. 1. The administrator may, in any hearing before him,  
44 cause the depositions of witnesses to be taken in the manner prescribed  
45 by the Nevada Rules of Civil Procedure for like depositions in civil  
46 actions in a district court of this state and, to that end, may compel the  
47 attendance of witnesses and the production of books and papers.

48 2. The clerk of the district court in the county in which any hearing

1 is held shall, upon the application of the administrator, issue commis-  
2 sions or letters rogatory to other states for the taking of evidence therein  
3 for use in any proceedings before the administrator.

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

9 Sec. 36. All money received by the division pursuant to this chapter  
10 must be deposited in the state general fund. Money for the support of  
11 the division in the carrying out of its duties pursuant to this chapter must  
12 be provided by direct legislative appropriation and be paid out as other  
13 claims against the state are paid.

14 Sec. 37. Any developer proposing to offer or sell in this state time  
15 shares in a project or independent parcel which is intended to have more  
16 than 12 time shares shall submit to the division an application in writing  
17 which contains:

18 1. The name and address of each person who owns or controls an  
19 interest of 10 percent or more in the project.

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

22 3. The legal description of the property involved in the project.

23 4. A statement of the condition of title to the project, particularly  
24 including all blanket encumbrances thereon, together with payment terms  
25 and any incidents of acceleration of the encumbrances. For the purposes  
26 of this subsection, "blanket encumbrance" means a deed of trust, mort-  
27 gage, judgment, option to purchase, contract to sell, lien, security agree-  
28 ment, financing statement or a trust agreement affecting real or personal  
29 property comprising more than one interest within a project. The term  
30 does not include any lien or other encumbrance arising as the result  
31 of any tax.

32 5. A statement of the terms and conditions on which it is intended  
33 to dispose of the time shares, together with copies of the instruments  
34 which will be delivered to a purchaser to evidence his interest in the pro-  
35 ject and of the contracts and other agreements which a purchaser will be  
36 required to agree to or sign.

37 6. A statement of the provisions, if any, that have been made for  
38 public utilities in the proposed project, including water, electricity, gas,  
39 telephone and sewerage facilities.

40 7. A statement of the use or uses for which the proposed project  
41 will be offered.

42 8. A statement of the provisions, if any, limiting the use or occu-  
43 pancy of the units in the project.

44 9. A general description of the units, including the developer's  
45 schedule of commencement and completion of all buildings, units and  
46 amenities or, if completed, a statement that they have been completed.

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

48 (a) The types and number of units;

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

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

3 11. A statement or reasonable estimate, if applicable, of the amount  
4 of indebtedness which has been or is proposed to be incurred by an  
5 existing or proposed special district, taxing area or assessment district  
6 within the boundaries of which the project, or any part thereof, is located,  
7 which is to pay for the construction or installation of any improvement or  
8 to furnish community or recreational facilities to the project, and which  
9 is to be obtained by ad valorem tax, by assessment or by a special assess-  
10 ment or tax upon the project or any part thereof.

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

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

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

18 (c) The projected liability for time-share expenses for all time shares;  
19 and

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

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

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

27 15. A statement of any pending suits material to the project or the  
28 developer of which the developer has knowledge.

29 16. Any restraints on alienation of any number or portion of any  
30 time shares.

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

33 18. Any current or expected fees or charges to be paid by time-  
34 share owners for the use of any facilities related to the project.

35 19. The extent to which financial arrangements have been provided  
36 for the completion of all promised improvements, if such arrangements  
37 have been made.

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

39 21. A completed application for a public offering statement in such  
40 form and containing such additional information as the division may  
41 require.

42 22. Any governmental restriction which would prohibit reconstruc-  
43 tion of the project in the event of condemnation or destruction which  
44 would limit the size or character of the project.

45 23. The fees prescribed by this chapter.

46 SEC. 38. 1. The division shall, before issuing any public offering  
47 statement under this chapter to any developer, fully investigate all infor-  
48 mation placed before it as may be required pursuant to this chapter and,  
49 if in the judgment of the division it is necessary, shall inspect the prop-  
50 erty which is the subject of the application. All reasonable expenses

1 incurred by the division in carrying out such an investigation or inspection must be paid by the applicant, and no license may be issued until  
2 these expenses have been fully paid.

3  
4 2. Payments received by the division pursuant to this section must  
5 be deposited in an investigative account. The administrator shall use  
6 this account to pay the reasonable expenses of agents and employees of  
7 the division in making the investigation, inspections or reinspections  
8 under this section for which the payments were received. The administrator may advance money for such expenses when appropriate.

9  
10 3. Each expenditure from the investigative account must be audited,  
11 allowed and paid as other claims against the state are paid.

12 SEC. 39. 1. The administrator shall make an examination of the  
13 application and shall, unless there are grounds for denial, issue to the  
14 developer a public offering statement authorizing the sale or lease or  
15 the offer for sale or lease in this state of time shares in the project.  
16 The public offering statement must contain the data obtained in accordance with section 37 of this act and other information which the  
17 administrator determines is necessary to carry out the purposes of this  
18 chapter. The administrator may publish the public offering statement.

19  
20 2. The administrator may deny a statement if he finds that:

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

23 (b) The sale of the estates or licenses would constitute misrepresentation, deceit or fraud.

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

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

28 (e) The developer has failed to provide in the contract or other  
29 writing the use or uses for which the time shares are offered, together  
30 with any covenants or conditions relative to them.

31 (f) Provisions for management or other services pertaining to common facilities in the offering are unsatisfactory.

32  
33 SEC. 40. 1. If the administrator finds that grounds for denial exist,  
34 he shall issue an order so stating to the developer no later than 30 days  
35 after he received the application.

36  
37 2. If the administrator issues an order of denial, the developer  
38 may appeal to the director who shall, within 5 days after receiving the  
39 appeal, determine whether grounds for denial exist. If the director finds  
40 that grounds for denial exist, he shall confirm the denial.

41 3. If the director confirms the denial, the developer may request a  
42 hearing. The director shall appoint a hearing officer who shall conduct  
43 a hearing within 30 days after the director received the appeal and either  
44 confirm the denial or order a public offering statement issued.

45 SEC. 41. If it appears to the administrator that an application or  
46 any amendment thereto is on its face incomplete or inaccurate in any  
47 material respect, the administrator shall so advise the developer within  
48 30 days after the filing of the application or the amendment. Notification  
49 suspends the effective date of the application or the amendment until 30

1 days after the developer files the additional information which the admin-  
2 istrator requires. Any developer, who receives a notice pursuant to this  
3 section may request a hearing, and the hearing must be held within 20  
4 days after the request is received by the administrator.

5 SEC. 42. 1. The administrator may issue an order directing a devel-  
6 oper to cease engaging in activities for which the developer is not licensed  
7 under this chapter.

8 2. No unlicensed developer who has violated any of the provisions  
9 of this chapter may engage in any activity regulated by this chapter after  
10 receiving an order in writing from the administrator directing him to  
11 cease doing so and stating that, in the opinion of the administrator, the  
12 activity has not been licensed.

13 3. Within 30 days after receiving such an order, a person may file  
14 a verified petition with the administrator for a hearing, alleging that the  
15 order precludes him from engaging in a substantial portion of his busi-  
16 ness as a licensee under this chapter.

17 4. The administrator shall, within 10 days after receiving the peti-  
18 tion, bring an action in a district court of the State of Nevada in the  
19 county in which the activity is occurring to enjoin the person from con-  
20 tinuing that activity pending the completion of hearings as prescribed by  
21 this chapter. The administrator's order to cease must be rescinded upon  
22 the entering of a decision by the court or 10 days after the administrator  
23 receives the petition unless the administrator brings an action within that  
24 time.

25 SEC. 43. 1. Within 30 days after receiving an order directing him to  
26 cease an activity, a developer may file a verified petition with the admin-  
27 istrator for a hearing before the administrator. The petition does not  
28 require an allegation that the administrator's order precludes the devel-  
29 oper from engaging in a substantial portion of a business as a licensee  
30 under this chapter.

31 2. The administrator shall hold a hearing within 30 days after the  
32 petition has been filed, unless the party requesting the hearing requests  
33 postponement.

34 3. If, after a request for a hearing, the administrator does not hold  
35 a hearing within 30 days or does not render a decision within 45 days  
36 after submission of the matter, the order expires.

37 SEC. 44. 1. Whenever the administrator believes that any person has  
38 violated any order, regulation, license, permit, decision, demand or  
39 requirement, or any of the provisions of this chapter, he may bring an  
40 action in the district court in the county in which the person resides or  
41 maintains his principal place of business or, if the person resides outside  
42 the state, in any court of competent jurisdiction within or outside the  
43 state, against the person to enjoin him from continuing the violation.

44 2. The administrator may intervene in any action involving a proj-  
45 ect or a time share if intervention is necessary in the public interest and  
46 for the protection of purchasers.

47 SEC. 45. If the time-share owners are to be permitted or required  
48 to participate in any program for the exchange of occupancy rights  
49 among themselves or with the owners of time shares in other projects, or  
50 both, the public offering statement or a supplement delivered with the

1 statement must fully and accurately disclose information about the pro-  
2 gram including, but not limited to, the terms, conditions and costs.

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

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

10 3. The developer shall immediately return all payments which he  
11 has received, and the purchaser shall return all materials which he has  
12 received in good condition, reasonable wear and tear excepted. If the  
13 materials are not returned in good condition, reasonable wear and tear  
14 excepted, the developer may deduct the reasonable cost of the materials  
15 or the cost of repairing them, whichever is less, and return the balance  
16 to the purchaser.

17 SEC. 47. 1. Any project for which a public offering statement has  
18 been applied for and received does not require registration under chapter  
19 90 or chapter 119 of NRS or any other state law which requires the  
20 preparation of a public offering statement or substantially similar docu-  
21 ment for distribution to purchasers.

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

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

27 1. Any transfer of a time share by any time-share owner other than  
28 the developer;

29 2. Any disposition pursuant to court order;

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

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

32 5. Disposition of a time share in a project situated wholly outside  
33 this state, if all solicitations, negotiations and contracts took place out-  
34 side this state and the contract was executed outside this state;

35 6. A gratuitous transfer of a time share;

36 7. Group reservations made for 15 or more people as a single  
37 transaction between a hotel and travel agent or travel groups for hotel  
38 accommodations, where deposits are made and held for more than 3  
39 years in advance.

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

43 SEC. 50. The public offering statement required to be provided to  
44 a purchaser by this chapter must be delivered to and reviewed with  
45 each purchaser by the developer or sales representative before or at the  
46 time of sale of any 1 time share. The developer shall obtain from the  
47 purchaser a signed receipt for the public offering statement and keep the  
48 receipt and copies of all documents relating to the purchase on file for  
49 at least 3 years after the date of sale. These records are subject to  
50 inspection by the division.

1     **SEC. 51.** No officer or employee of the division or any association,  
2 firm or corporation with which an officer or employee is associated  
3 may act as a sales representative of a project.

4     **SEC. 52.** The developer is responsible for the acts of each sales  
5 representative and any other person whom he employs or engages to  
6 represent him if the acts are performed within the scope of the employ-  
7 ment or engagement.

8     **SEC. 53.** A developer may not:

9     1. Refer to the division or to any officer or employee thereof in  
10 offering or selling a time share; or

11     2. Make any representation that the time-share property, unit or  
12 independent parcel has been inspected, approved or otherwise passed  
13 upon by the division or any other official, department or employee of  
14 the state.

15     **SEC. 54.** The owner, publisher, licensee or operator of any news-  
16 paper, magazine, television or radio broadcasting station or network  
17 of stations or the agents or employees of any such owner, publisher,  
18 licensee or operator of such a newspaper, magazine, station or network  
19 of stations are not liable under this chapter for any advertising of any  
20 time share carried in the newspaper, magazine or by the television or  
21 radio broadcasting station or network of stations, nor are any of them  
22 liable under this chapter for the contents of any advertisement.

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

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

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

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

34     **SEC. 56.** 1. Each time-share estate must be separately assessed and  
35 taxed.

36     2. Notices of assessments and bills for taxes must be furnished to  
37 the manager of the time-share property, if any, or otherwise to each  
38 owner of a time share. A manager is not liable for the taxes on a time-  
39 share estate.

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

44     **SEC. 57.** A document which transfers or encumbers a time-share  
45 estate may not be rejected for recording because of the nature or dura-  
46 tion of that estate.

47     **SEC. 58.** A building code or a zoning, subdivision or other ordinance  
48 or regulation may not prohibit the creation of time shares or impose any  
49 requirement upon a time-share property which it would not impose upon  
50 a similar development under a different form of ownership.



1     **SEC. 59. 1. A time-share license:**

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

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

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

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

15     (a) The offering;

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

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

18     **SEC. 60.** Time shares may be created in any unit unless expressly  
19 prohibited by the project instruments.

20     **SEC. 61.** A time-share instrument which creates more than 12 time  
21 shares in a time-share property must contain or provide for:

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

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

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

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

32     5. If additional units or independent parcels may become part of  
33 the time-share property, the method of making them a part of the prop-  
34 erty and the formula for allocation and reallocation of the liabilities for  
35 time-share expenses and of voting rights;

36     6. Any restrictions on the use, occupancy or alteration of units or  
37 the alienation of time shares;

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

40     8. In the case of time-share licenses, the period for which the units  
41 affected are committed to those licenses and exactly what occurs in  
42 relation to those units at the end of the period, if the period is not  
43 potentially infinite; and

44     9. Any requirements for amendments of the time-share instrument.

45 The time-share instrument may provide for any other matters the  
46 developer deems appropriate.

47     **SEC. 62.** A time-share instrument must prescribe in detail reasonable  
48 arrangements for the management and operation of the time-share prop-  
49 erty and for the maintenance, repair and furnishing of units, which may  
50 include but need not be limited to provisions for the following:

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 units.

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 units 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 units and  
16 reserves for replacement of items that become lost or unusable.

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

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

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

28 11. Employment of attorneys, accountants and other professional  
29 persons, as necessary, to assist in the management of the time-share  
30 property.

31 SEC. 63. 1. A time-share instrument may provide for a period dur-  
32 ing which the developer or a managing agent selected by the developer  
33 may manage the time-share property.

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

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

37 (b) Termination of contracts for goods and services for the time-share  
38 property or for units within it which were entered into during that period  
39 if such contracts were made.

40 (c) A regular accounting by the developer to the association, if any,  
41 as to all matters that affect the time-share property.

42 SEC. 64. No judicial action for partition of a unit may be undertaken  
43 except as may be permitted by the time-share instrument.

44 SEC. 65. 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. 66. 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 project to which an application applies  
6 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 \$1,500 for time shares pursuant  
10 to subsection 2 for any one application.

11 SEC. 67. 1. Where any part of the application, when that part  
12 became effective, contained an untrue statement of a material fact or  
13 omitted to state a material fact required to be stated therein, any person  
14 who purchases a time share covered by the application from the devel-  
15 oper 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. The amount recoverable under this section may not exceed the  
24 sum of the purchase price of the time share and reasonable appraiser's  
25 costs, court costs and attorney's fees.

26 SEC. 68. 1. Except as provided in subsection 2, any person, who  
27 violates a provision of this chapter is guilty of a gross misdemeanor,  
28 and if a partnership, association or corporation, shall be punished by a  
29 fine of not more than \$10,000 for each offense.

30 2. Any person who:

31 (a) Sells or attempts to sell in this state any time share by means of  
32 intentional misrepresentation, deceit or fraud; or

33 (b) Obtains or attempts to obtain a public offering statement from the  
34 division by means of intentional misrepresentation, deceit or fraud,  
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.

SENATE BILL NO. 645—COMMITTEE ON JUDICIARY

MAY 5, 1981

Referred to Committee on Judiciary

SUMMARY—Provides procedure for local investigation of applicants for gaming licenses. (BDR 41-2072)

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 gaming; establishing a procedure to govern local investigation of applicants for gaming licenses; 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 463 of NRS is hereby amended by adding  
2 thereto a new section which shall read as follows:  
3 1. *If a person files an application for a state gaming license, he must,*  
4 *within 30 days, also file with the county or city where he intends to do*  
5 *business a copy of each completed form of application which he has filed*  
6 *with the state.*  
7 2. *If the state approves the application, the state shall give notice of*  
8 *its approval to the county or city where the applicant intends to do busi-*  
9 *ness. If requested to do so, the state shall make its investigative report on*  
10 *the applicant available to the investigator for the county or city. The*  
11 *state's investigative report is confidential, and it may be used only by the*  
12 *local investigator to assist in his investigation.*  
13 3. *If an applicant is seeking a license to operate 15 or fewer slot*  
14 *machines and no other game or gaming device, the county or city where*  
15 *the applicant intends to do business may investigate the applicant at any*  
16 *time and independently of the state's investigation.*  
17 4. *If the applicant is seeking a license for a gaming operation of any*  
18 *other size or kind, a local investigation of the applicant may be com-*  
19 *menced only:*  
20 (a) *Pursuant to authorization by a vote of a majority of the members*  
21 *of the governing body of the county or city where the applicant intends*  
22 *to do business; and*  
23 (b) *Within the 30-day period following receipt by the county or city of*

- 1 notice that the state has approved a license for the applicant's proposed
- 2 operation.
- 3 If a local investigation is not so authorized within the prescribed period,
- 4 the county or city must accept the state's investigative findings concern-
- 5 ing the applicant.

20

RELATIONSHIP TO COMMITTEE ON BUSINESS

SUMMARY—Provides procedure for local investigation of applicants for business licenses. (1908 & 1911)  
PUBLISHED BY THE STATE OF CALIFORNIA  
DEPARTMENT OF INDUSTRIAL RELATIONS

RELATIONSHIP TO COMMITTEE ON BUSINESS  
The purpose of this bill is to provide a procedure for the investigation of applicants for business licenses and to provide for the issuance of licenses to those applicants who are found to be qualified to do business in the State of California.

Section 1. Chapter 107 of the Statutes of 1908 is hereby amended by adding thereto a new section which shall read as follows:

1. If a person has an unexpired license for a retail selling license, he may within 30 days after the expiration of such license apply for a license for the same business as that for which he was licensed. If the person applying for such license is a person who has been licensed for such business for a period of not less than one year, the State Board of Equalization shall issue such license to the applicant upon the payment of the fee thereon.

2. If the person applying for such license is a person who has not been licensed for such business for a period of not less than one year, the State Board of Equalization shall issue such license to the applicant upon the payment of the fee thereon and the payment of such fee shall constitute an acknowledgment of the applicant's liability for the payment of such fee.

3. If the person applying for such license is a person who has not been licensed for such business for a period of not less than one year, the State Board of Equalization shall issue such license to the applicant upon the payment of the fee thereon and the payment of such fee shall constitute an acknowledgment of the applicant's liability for the payment of such fee.

4. If the applicant is a person who has not been licensed for such business for a period of not less than one year, the State Board of Equalization shall issue such license to the applicant upon the payment of the fee thereon and the payment of such fee shall constitute an acknowledgment of the applicant's liability for the payment of such fee.

(c) Payment of such fee shall constitute an acknowledgment of the applicant's liability for the payment of such fee.

(d) The fee for such license shall be paid to the State Board of Equalization.

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 609

SENATE BILL NO. 609—SENATORS GETTO, JACOBSEN,  
BLAKEMORE AND GLASER

APRIL 27, 1981

Referred to Committee on Judiciary

SUMMARY—Provides for realignment of and increases number of judges in  
certain judicial districts. (BDR 1-1544)

FISCAL NOTE: Effect on Local Government: Yes.  
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 the district courts; providing for the realignment of certain  
judicial districts; providing additional judges for certain districts; and pro-  
viding 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 3.010 is hereby amended to read as follows:  
2 3.010 1. The state is hereby divided into nine judicial districts, as  
3 follows:  
4 First judicial district. [The counties of Storey and] Carson City *and*  
5 *the county of Storey* constitute the first judicial district.  
6 Second judicial district. The county of Washoe constitutes the second  
7 judicial district.  
8 Third judicial district. The counties of Churchill [, Eureka and Lan-  
9 der] *and Lyon* constitute the third judicial district.  
10 Fourth judicial district. The county of Elko constitutes the fourth  
11 judicial district.  
12 Fifth judicial district. The counties of Mineral, Esmeralda and Nye  
13 constitute the fifth judicial district.  
14 Sixth judicial district. The counties of *Lander*, Pershing and Hum-  
15 boldt constitute the sixth judicial district.  
16 Seventh judicial district. The counties of *Eureka*, White Pine and  
17 Lincoln constitute the seventh judicial district.  
18 Eighth judicial district. The county of Clark constitutes the eighth  
19 judicial district.  
20 Ninth judicial district. The [counties of Douglas and Lyon consti-  
21 tute] *county of Douglas* constitutes the ninth judicial district.  
22 2. [For each of the judicial districts, except the first, second and

1 eighth judicial districts, there shall be one district judge. For the first  
2 judicial district there shall be two district judges. For the second judicial  
3 district there [shall] *must* be seven district judges. [For the eighth judi-  
4 cial district there shall be 12 district judges.]

5 SEC. 2. Section 1 of chapter 556, Statutes of Nevada 1979, at page  
6 1103, is hereby amended to read as follows:

7 Section 1. NRS 3.010 is hereby amended to read as follows:

8 3.010 [1.] The state is hereby divided into nine judicial dis-  
9 tricts, as follows:

10 1. First judicial district. Carson City and the county of Storey  
11 constitute the first judicial district.

12 2. Second judicial district. The county of Washoe constitutes  
13 the second judicial district.

14 3. Third judicial district. The counties of Churchill and Lyon  
15 constitute the third judicial district.

16 4. Fourth judicial district. The county of Elko constitutes the  
17 fourth judicial district.

18 5. Fifth judicial district. The counties of Mineral, Esmeralda  
19 and Nye constitute the fifth judicial district.

20 6. Sixth judicial district. The counties of Lander, Pershing and  
21 Humboldt constitute the sixth judicial district.

22 7. Seventh judicial district. The counties of Eureka, White  
23 Pine and Lincoln constitute the seventh judicial district.

24 8. Eighth judicial district. The county of Clark constitutes the  
25 eighth judicial district.

26 9. Ninth judicial district. The county of Douglas constitutes the  
27 ninth judicial district.

28 [2. For the second judicial district there must be seven district  
29 judges.

30 3. District judges shall be elected as provided in NRS 3.050.  
31 Whenever a vacancy occurs in the office of any district judge it  
32 shall be filled as provided in NRS 3.080.]

33 SEC. 3. Chapter 3 of NRS is hereby amended by adding thereto the  
34 provisions set forth as sections 4 to 11, inclusive, of this act.

35 SEC. 4. *For the first judicial district there must be two district judges.*

36 SEC. 5. *For the third judicial district there must be one district judge.*

37 SEC. 6. *For the fourth judicial district there must be one district  
38 judge.*

39 SEC. 7. *For the fifth judicial district there must be one district judge.*

40 SEC. 8. *For the sixth judicial district there must be two district  
41 judges.*

42 SEC. 9. *For the seventh judicial district there must be one district  
43 judge.*

44 SEC. 10. *For the eighth judicial district there must be 12 district  
45 judges.*

46 SEC. 11. *For the ninth judicial district there must be two district  
47 judges.*

48 SEC. 12. The terms of the additional district judges elected at the  
49 general election in 1982 to the offices added to the previously existing

1 number by sections 8 and 11 of this act expire on the 1st Monday of  
2 January in 1985.

3 SEC. 13. If any provision of this act, or the application thereof to any  
4 person, thing or circumstance is held invalid, such invalidity shall not  
5 affect the provisions or application of this act which can be given effect  
6 without the invalid provision or application, and to this end the provisions  
7 of this act are declared to be severable.

8 SEC. 14. This act shall become effective upon passage and approval.

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