

**Amendment No. 737**

Senate Amendment to Assembly Bill No. 255 First Reprint (BDR 52-921)
<b>Proposed by:</b> Senate Committee on Commerce, Labor and Energy
<b>Amends:</b> Summary: No Title: No Preamble: No Joint Sponsorship: Yes Digest: No

ASSEMBLY ACTION	Initial and Date	SENATE ACTION	Initial and Date
Adopted <input type="checkbox"/>	Lost <input type="checkbox"/> _____	Adopted <input type="checkbox"/>	Lost <input type="checkbox"/> _____
Concurred In <input type="checkbox"/>	Not <input type="checkbox"/> _____	Concurred In <input type="checkbox"/>	Not <input type="checkbox"/> _____
Receded <input type="checkbox"/>	Not <input type="checkbox"/> _____	Receded <input type="checkbox"/>	Not <input type="checkbox"/> _____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

DDB/JMK



Date: 5/16/2017

A.B. No. 255—Provides that provisions governing certain short-term loans and installment loans do not apply to certain extensions of credit.  
(BDR 52-921)





ASSEMBLY BILL NO. 255—ASSEMBLYMAN HAMBRICK

MARCH 3, 2017

JOINT SPONSOR: SENATOR CANNIZZARO

Referred to Committee on Commerce and Labor

SUMMARY—Provides that provisions governing certain short-term loans and installment loans do not apply to certain extensions of credit. (BDR 52-921)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to financial services; providing that provisions governing the licensing and regulation of certain short-term loans and installment loans do not apply to the extension of credit to any person who is not a resident of this State for any business, commercial or agricultural purpose that is located outside of this State; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

- 1 Existing law establishes standards and procedures for the licensing and regulations of
- 2 certain short-term loans, commonly referred to as “payday loans,” high-interest loans and title
- 3 loans. (Chapter 604A of NRS)
- 4 Existing law sets forth the standards and procedures for the licensing and regulations of
- 5 loans repayable in installments, which include loans that may or may not be made on
- 6 substantial security and loans for indefinite terms. (Chapter 675 of NRS) This bill provides
- 7 that these provisions do not apply to a person who exclusively extends credit to any person
- 8 who is not a resident of this State for any business, commercial or agricultural purpose that is
- 9 located outside of this State.

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

- 1 **Section 1.** (Deleted by amendment.)
- 2 **Sec. 2.** (Deleted by amendment.)
- 3 **Sec. 3.** (Deleted by amendment.)
- 4 **Sec. 3.3.** NRS 604A.250 is hereby amended to read as follows:
- 5 604A.250 The provisions of this chapter do not apply to:

1           1. Except as otherwise provided in NRS 604A.200, a person doing business  
2 pursuant to the authority of any law of this State or of the United States relating to  
3 banks, national banking associations, savings banks, trust companies, savings and  
4 loan associations, credit unions, mortgage brokers, mortgage bankers, thrift  
5 companies or insurance companies, including, without limitation, any affiliate or  
6 subsidiary of such a person regardless of whether the affiliate or subsidiary is a  
7 bank.

8           2. A person who is primarily engaged in the retail sale of goods or services  
9 who:

10           (a) As an incident to or independently of a retail sale or service, from time to  
11 time cashes checks for a fee or other consideration of not more than \$2; and

12           (b) Does not hold himself or herself out as a check-cashing service.

13           3. A person while performing any act authorized by a license issued pursuant  
14 to chapter 671 of NRS.

15           4. A person who holds a nonrestricted gaming license issued pursuant to  
16 chapter 463 of NRS while performing any act in the course of that licensed  
17 operation.

18           5. A person who is exclusively engaged in a check-cashing service relating to  
19 out-of-state checks.

20           6. A corporation organized pursuant to the laws of this State that has been  
21 continuously and exclusively engaged in a check-cashing service in this State since  
22 July 1, 1973.

23           7. A pawnbroker, unless the pawnbroker operates a check-cashing service,  
24 deferred deposit loan service, high-interest loan service or title loan service.

25           8. A real estate investment trust, as defined in 26 U.S.C. § 856.

26           9. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is  
27 made directly from money in the plan by the plan's trustee.

28           10. An attorney at law rendering services in the performance of his or her  
29 duties as an attorney at law if the loan is secured by real property.

30           11. A real estate broker rendering services in the performance of his or her  
31 duties as a real estate broker if the loan is secured by real property.

32           12. Any firm or corporation:

33           (a) Whose principal purpose or activity is lending money on real property  
34 which is secured by a mortgage;

35           (b) Approved by the Federal National Mortgage Association as a seller or  
36 servicer; and

37           (c) Approved by the Department of Housing and Urban Development and the  
38 Department of Veterans Affairs.

39           13. A person who provides money for investment in loans secured by a lien  
40 on real property, on his or her own account.

41           14. A seller of real property who offers credit secured by a mortgage of the  
42 property sold.

43           15. A person who makes a refund anticipation loan, unless the person  
44 operates a check-cashing service, deferred deposit loan service, high-interest loan  
45 service or title loan service.

46           ***16. A person who exclusively extends credit to any person who is not a***  
47 ***resident of this State for any business, commercial or agricultural purpose that is***  
48 ***located outside of this State.***

49           **Sec. 3.7.** NRS 675.040 is hereby amended to read as follows:

50           675.040 This chapter does not apply to:

51           1. Except as otherwise provided in NRS 675.035, a person doing business  
52 under the authority of any law of this State or of the United States relating to banks,  
53 national banking associations, savings banks, trust companies, savings and loan

1 associations, credit unions, mortgage brokers, mortgage bankers, thrift companies,  
2 pawnbrokers or insurance companies.

3 2. A real estate investment trust, as defined in 26 U.S.C. § 856.

4 3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is  
5 made directly from money in the plan by the plan's trustee.

6 4. An attorney at law rendering services in the performance of his or her  
7 duties as an attorney at law if the loan is secured by real property.

8 5. A real estate broker rendering services in the performance of his or her  
9 duties as a real estate broker if the loan is secured by real property.

10 6. Except as otherwise provided in this subsection, any firm or corporation:

11 (a) Whose principal purpose or activity is lending money on real property  
12 which is secured by a mortgage;

13 (b) Approved by the Federal National Mortgage Association as a seller or  
14 servicer; and

15 (c) Approved by the Department of Housing and Urban Development and the  
16 Department of Veterans Affairs.

17 7. A person who provides money for investment in loans secured by a lien on  
18 real property, on his or her own account.

19 8. A seller of real property who offers credit secured by a mortgage of the  
20 property sold.

21 9. A person holding a nonrestricted state gaming license issued pursuant to  
22 the provisions of chapter 463 of NRS.

23 10. A person licensed to do business pursuant to chapter 604A of NRS with  
24 regard to those services regulated pursuant to chapter 604A of NRS.

25 ***11. A person who exclusively extends credit to any person who is not a***  
26 ***resident of this State for any business, commercial or agricultural purpose that is***  
27 ***located outside of this State.***

28 **Sec. 4.** This act becomes effective upon passage and approval.