SENATE BILL NO. 49–COMMITTEE ON COMMERCE AND LABOR

#### (ON BEHALF OF THE ATTORNEY GENERAL)

### PREFILED NOVEMBER 19, 2024

## Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to consumer protection. (BDR 52-439)

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

EXPLANATION - Matter in *bolded italics* is new; matter between brackets for its material is material to be omitted.

AN ACT relating to consumer protection; clarifying the authority of the Attorney General with respect to bringing certain actions relating to deceptive trade practices; authorizing the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General to conduct certain administrative hearings and impose certain civil penalties relating to deceptive trade practices; eliminating certain sanctions that may be imposed by a court relating to deceptive trade practices; eliminating the statute of limitations for civil actions involving unfair trade practices which are brought by the Attorney General; revising the authorized uses of money in the Consumer Protection Legal Account in the Office of the Attorney General; clarifying when the Consumer's Advocate has custody or control of certain records; making various other changes relating to deceptive trade practices; and providing other matters properly relating thereto.

#### Legislative Counsel's Digest:

Existing law defines activities that constitute deceptive trade practices and 2 3 4 5 provides for the imposition of civil and criminal penalties against persons who engage in deceptive trade practices. (Chapter 598 of NRS) Existing law authorizes the Attorney General to obtain a temporary restraining order, a preliminary or permanent injunction or other relief, including, without limitation, the recovery of a civil penalty, disgorgement, restitution or the recovery of damages by bringing an





action in the name of the State against a person the Attorney General has reason to
believe has engaged or is engaging in a deceptive trade practice. (NRS 598.0963)
Section 3 of this bill clarifies that such an action may be brought by the Attorney
General on behalf of: (1) the State or its agencies, political subdivisions, districts or
municipal corporations; or (2) the people of the State.

12 Existing law: (1) creates the Bureau of Consumer Protection within the Office 13 of the Attorney General; and (2) provides that the executive head of the Bureau of 14 Consumer Protection is the Consumer's Advocate, who may generally exercise the 15 power of the Attorney General in areas of consumer protection and enforcement. 16 (NRS 228.310, 228.380) Existing law further authorizes the Director of the 17 Department of Business and Industry to impose certain penalties, including an 18 administrative fine, upon a person who has engaged in a deceptive trade practice 19 after a hearing that is initiated by the Commissioner of Consumer Affairs or 20 Attorney General serving an order upon such person. (NRS 598.0971) Section 4 of 21 22 23 24 this bill: (1) authorizes the Consumer's Advocate or his or her designee to also conduct such a hearing and impose certain penalties; and (2) increases the administrative fine from \$1,000 or treble the amount of restitution ordered, whichever is greater, to \$15,000 for each violation or treble the amount of 25 restitution ordered, whichever is greater. Sections 5 and 6 of this bill make  $\bar{2}6$ conforming changes to authorize the Consumer's Advocate or his or her designee 27 28 29 to impose certain penalties in a hearing conducted by the Consumer's Advocate or his or her designee relating to a deceptive trade practice directed towards an elderly person, a person with a disability or a minor person.

30 Existing law provides that if a person fails to comply with an order issued by 31 the Director of the Department of Business and Industry or his or her designee at an 32 33 34 administrative hearing, the Attorney General or the Commissioner of Consumer Affairs or Director, through the Attorney General, may cause an action to be instituted in district court. If the court finds that the person failed to comply with 35 the order, the court is: (1) required to issue an order enforcing the Director's order; 36 and (2) authorized to order certain additional sanctions against the person who 37 engaged in the deceptive trade practice, including a penalty of not more than \$5,000 38 for each act amounting to a failure to comply with the original order, an order to 39 cease and desist doing business within the State and injunctive relief. (NRS 40 598.0971) Existing law also authorizes these sanctions in a circumstance where a 41 person who has engaged or is engaging in a deceptive trade practice fails to comply 42 with an assurance of discontinuance of any deceptive trade practice. Section 4 43 eliminates the authority of the court to impose these additional sanctions in a 44 circumstance where a person who engaged in a deceptive trade practice fails to 45 comply with the order issued at an administrative hearing. Section 7 of this bill 46 makes a technical change to continue to allow these additional sanctions where a 47 person who has engaged or is engaging in a deceptive trade practice fails to comply 48 with an assurance of discontinuance of any deceptive trade practice.

49 Under existing law, in addition to certain criminal penalties, if a natural person, 50 firm, or any officer or managing agent of any corporation or association knowingly 51 and willfully engages in certain deceptive trade practices, the court may require the 52 natural person, firm or officer or managing agent of the corporation or association 53 to pay to the aggrieved party damages on all profits derived from the knowing and 54 willful engagement in the deceptive trade practice. (NRS 598.0999) Section 8 of 55 this bill provides instead that the court may require payment to the aggrieved party 56 of damages on all gross revenue derived from the knowing and willful engagement 57 in the deceptive trade practice. Section 8 defines "gross revenue" to mean the total 58 revenues derived from the knowing and willful engagement in a deceptive trade 59 practice without deducting any expenses or losses.

60 Section 1 of this bill defines the term "Consumer's Advocate" for purposes of 61 the provisions of law relating to deceptive trade practices and section 2 of this bill





62 applies this definition to the provisions of existing law governing deceptive trade 63 practices.

64 The Nevada Unfair Trade Practice Act generally prohibits certain unfair trade 65 activities, including, without limitation, price fixing, division of markets, allocation 66 of customers, tying arrangements and monopolization and authorizes the Attorney 67 General to bring proceedings for suspected violations. (Chapter 598A of NRS) 68 Pursuant to the Act, the Attorney General is required to institute civil and criminal 69 proceedings on behalf of the State, its agencies, political subdivisions, districts, 70 municipal corporations or residents of this State. (NRS 598A.070) The Act also 71 authorizes certain other persons and entities to bring a civil action related to unfair 72 trade activities. (NRS 598A.200, 598A.210) The Act sets forth the statute of 73 limitations for bringing any such action. (NRS 598A.220) Sections 9 and 10 of this 74 bill eliminate the statute of limitations for the Attorney General to commence a 75 civil action for an unfair trade practice, which is consistent with the authority of the 76 Attorney General to commence a civil action for most deceptive trade practices.

77 Existing law creates the Consumer Protection Legal Account in the Office of 78 the Attorney General and provides that the money remains in the Legal Account at 79 the end of the fiscal year and does not revert to the State General Fund. (NRS 80 228.333) Existing law also creates the Consumer Protection Administrative 81 Account in the Bureau of Consumer Protection and: (1) requires the deposit of 82 certain money from settlements and litigation into the Administrative Account; and 83 (2) provides that any balance in excess of \$500,000 in the Administrative Account 84 on June 30 and December 31 of each year, and at any other time in the discretion of 85 the Consumer's Advocate, reverts to the Legal Account. (NRS 228.332) Existing 86 law requires the Attorney General to allocate, in certain percentages, the money in 87 the Legal Account to: (1) the Office of the Attorney General or the Consumer's 88 Advocate to be used for consumer protection and efforts to prevent fraud, 89 including, without limitation, education, investigation, enforcement and litigation; 90 and (2) certain legal aid organizations to be used for consumer protection and 91 efforts to prevent fraud. (NRS 228.334) Section 11 of this bill provides that the 92 percentage of money allocated from the Legal Account to the Office of the 93 Attorney General or the Consumer's Advocate may be used to pay for: (1) 94 necessary staff employed for the Consumer's Advocate to carry out consumer 95 protection and efforts to prevent fraud; (2) necessary staff for the Office of the 96 Attorney General to carry out consumer protection and efforts to prevent fraud; and 97 (3) any other additional purpose relating to consumer protection and efforts to 98 prevent fraud.

99 Section 11 also eliminates the limitation that the money in the Legal Account 100 must exceed 120 days of operating costs for certain staff before the Office of the 101 Attorney General or Consumer's Advocate may use money in the Legal Account 102 for additional purposes relating to consumer protection and efforts to prevent fraud.

Existing law authorizes the Consumer's Advocate to have access to all records in the possession of any agency, board or commission of this State that he or she determines are necessary to exercise his or her powers relating to consumer protection. (NRS 228.380) Section 12 of this bill clarifies that the Consumer's Advocate does not have possession of such records until he or she receives the record from the agency, board or commission.





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

1 **Section 1.** Chapter 598 of NRS is hereby amended by adding 2 thereto a new section to read as follows:

3 "Consumer's Advocate" means the Consumer's Advocate of 4 the Bureau of Consumer Protection in the Office of the Attorney 5 General.

**Sec. 2.** NRS 598.0903 is hereby amended to read as follows:

598.0903 As used in NRS 598.0903 to 598.0999, inclusive, *and section 1 of this act*, unless the context otherwise requires, the
words and terms defined in NRS 598.0905 to 598.0947, inclusive, *and section 1 of this act* have the meanings ascribed to them in
those sections.

12 Sec. 3. NRS 598.0963 is hereby amended to read as follows:

13 598.0963 1. Whenever the Attorney General is requested in 14 writing by the Commissioner or the Director to represent him or her 15 in instituting a legal proceeding against a person who has engaged 16 or is engaging in a deceptive trade practice, the Attorney General 17 may bring an action in the name of the State of Nevada against that 18 person on behalf of the Commissioner or Director.

2. The Attorney General may institute criminal proceedings to
enforce the provisions of NRS 598.0903 to 598.0999, inclusive [.],
and section 1 of this act. The Attorney General is not required to
obtain leave of the court before instituting criminal proceedings
pursuant to this subsection.

24 3. If the Attorney General has reason to believe that a person 25 has engaged or is engaging in a deceptive trade practice, the Attorney General may bring an action in the name of the State of 26 27 Nevada against that person to obtain a temporary restraining order, a preliminary or permanent injunction, or other appropriate relief, 28 29 including, without limitation, the recovery of a civil penalty, 30 disgorgement, restitution or the recovery of damages [+], on behalf 31 of:

32 (a) The State, its agencies, political subdivisions, districts or 33 municipal corporations; or

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(b) The persons residing in this State:

35 [(a)] (1) As parens patriae of the persons residing this State, 36 with respect to damages sustained directly or indirectly by such 37 persons, or, alternatively, if the court finds in its discretion that the 38 interests of justice so require, as a representative of a class or classes 39 consisting of persons residing in this State who have been damaged 40 directly or indirectly; or





1 (b) (2) As parens patriae, with respect to direct or indirect 2 damages to the general economy of the State of Nevada or any 3 agency or political subdivision thereof.

4 4. If the Attorney General has cause to believe that a person 5 has engaged or is engaging in a deceptive trade practice, the 6 Attorney General may issue a subpoena to require the testimony of any person or the production of any documents, and may administer 7 8 an oath or affirmation to any person providing such testimony. The 9 subpoena must be served upon the person in the manner required for service of process in this State or by certified mail with return 10 receipt requested. An employee of the Attorney General may 11 12 personally serve the subpoena.

13 **Sec. 4.** NRS 598.0971 is hereby amended to read as follows:

14 598.0971 1. If, after an investigation, the Commissioner or 15 Attorney General has reasonable cause to believe that any person 16 has been engaged or is engaging in any deceptive trade practice in 17 violation of NRS 598.0903 to 598.0999, inclusive, and section 1 of 18 *this act*, the Commissioner or Attorney General may issue an order 19 directed to the person to show cause why the Director *or Attorney* General should not order the person to cease and desist from 20 21 engaging in the practice and to pay an administrative fine. The order 22 must contain a statement of the charges and a notice of a hearing to 23 be held thereon. The order must be served upon the person directly, 24 by certified or registered mail, return receipt requested, or in any 25 other manner permitted by the Nevada Rules of Civil Procedure for 26 the service of process in civil actions.

27 An administrative hearing on any action brought by the 2. 28 Commissioner or Attorney General must be conducted before the 29 Director or his or her designee  $\square$  or the Consumer's Advocate or 30 his or her designee.

31 3. If, after conducting a hearing pursuant to the provisions of 32 subsection 2, the Director or his or her designee or the Consumer's 33 Advocate or his or her designee determines that the person has violated any of the provisions of NRS 598.0903 to 598.0999, 34 35 inclusive, *and section 1 of this act* or if the person fails to appear for 36 the hearing after being properly served with the statement of charges 37 and notice of hearing, the Director or his or her designee or the 38 **Consumer's** Advocate or his or her designee shall issue an order 39 setting forth his or her findings of fact concerning the violation and 40 cause to be served a copy thereof upon the person and any 41 intervener at the hearing. If the Director or his or her designee or the 42 Consumer's Advocate or his or her designee determines in the 43 report that such a violation has occurred, he or she may order the 44 violator to:





1 (a) Cease and desist from engaging in the practice or other 2 activity constituting the violation;

3 (b) Pay the costs of conducting the investigation, costs of 4 conducting the hearing, costs of reporting services, fees for experts 5 and other witnesses, charges for the rental of a hearing room if such 6 a room is not available to the Director or his or her designee or the Consumer's Advocate or his or her designee free of charge, 7 8 charges for providing an independent hearing officer, if any, and 9 charges incurred for any service of process, if the violator is adjudicated to have committed a violation of NRS 598.0903 to 10 11 598.0999, inclusive [;], and section 1 of this act;

12 (c) Provide restitution for any money or property improperly 13 received or obtained as a result of the violation; and

(d) Impose an administrative fine of [\$1,000] \$15,000 for each
 *violation* or treble the amount of restitution ordered, whichever is
 greater.

The order must be served upon the person directly or by certified
or registered mail, return receipt requested. The order becomes
effective upon service in the manner provided in this subsection.

4. Any person whose pecuniary interests are directly and immediately affected by an order issued pursuant to subsection 3 or who is aggrieved by the order may petition for judicial review in the manner provided in chapter 233B of NRS. Such a petition must be filed within 30 days after the service of the order. The order becomes final upon the filing of the petition.

26 5. If a person fails to comply with any provision of an order 27 issued by the Director or his or her designee or the Consumer's 28 Advocate or his or her designee pursuant to subsection 3, the 29 Attorney General [] or the Consumer's Advocate, or the 30 Commissioner or *the* Director through the Attorney General, may, at 31 any time after 30 days after the service of the order, cause an action 32 to be instituted in the district court of the county wherein the person resides or has his or her principal place of business requesting the 33 34 court to enforce the provisions of the order or to provide any other appropriate injunctive relief. 35

36 6. If the court finds that the person has failed to comply with an
37 order issued by the Director or his or her designee or the
38 Consumer's Advocate or his or her designee pursuant to subsection
39 3, the court shall issue an order enforcing the provisions of the order
40 of the Director or his or her designee [...

41 <u>7. An order issued pursuant to subsection 6 may include:</u>

42 (a) A provision requiring the payment to the Consumer Affairs

43 Unit of the Department of Business and Industry of a penalty of not

44 more than \$5,000 for each act amounting to a failure to comply with

45 the Director's or designee's order;





- (b) An order that the person cease doing business within this
   State; and
- 3 (c) Such injunctive or other equitable or extraordinary relief as
   4 is determined appropriate by the court.
- 5 8. Any aggrieved party may appeal from the final judgment,
- 6 order or decree of the court in a like manner as provided for appeals
   7 in civil cases.
- 8 <u>9. Upon the violation of any judgment, order or decree issued</u>
- 9 pursuant to subsection 6 or 7, the Commissioner, after a hearing
- 10 thereon, may proceed] or the Consumer's Advocate or his or her
- 11 designee, and may impose civil penalties in accordance with the
- 12 provisions of NRS 598.0999.
- 13 Sec. 5. NRS 598.0973 is hereby amended to read as follows:
- 14 598.0973 1. Except as otherwise provided in NRS 598.0974, 15 in any action or proceeding brought pursuant to NRS 598.0903 to 16 598.0999, inclusive, and section 1 of this act, if the court, [or] the 17 Director or his or her designee or the Consumer's Advocate or his 18 or her designee finds that a person has engaged in a deceptive trade 19 practice directed toward an elderly person or a person with a disability, the court, [or] the Director or his or her designee or the 20 21 **Consumer's** Advocate or his or her designee may, in addition to 22 any other civil or criminal penalty, impose a civil penalty of:
- (a) For a deceptive trade practice directed toward a person with
   a disability, not more than \$15,000 for each violation.
- (b) For a deceptive trade practice directed toward an elderly
  person, not more than \$25,000 for each violation.
- 27 2. In determining whether to impose a civil penalty pursuant to
  28 subsection 1, the court, [or] the Director or his or her designee or
  29 the Consumer's Advocate or his or her designee shall consider
  30 whether:
- (a) The conduct of the person was in disregard of the rights ofthe elderly person or person with a disability;
- (b) The person knew or should have known that his or her
   conduct was directed toward an elderly person or a person with a
   disability;
- (c) The elderly person or person with a disability was more
  vulnerable to the conduct of the person because of the age, health,
  infirmity, impaired understanding, restricted mobility or disability of
  the elderly person or person with a disability;
- (d) The conduct of the person caused the elderly person or
  person with a disability to suffer actual and substantial physical,
  emotional or economic damage;
- (e) The conduct of the person caused the elderly person orperson with a disability to suffer:
- 45
- (1) Mental or emotional anguish;





1 (2) The loss of the primary residence of the elderly person or 2 person with a disability;

3 (3) The loss of the principal employment or source of income 4 of the elderly person or person with a disability;

- 5 (4) The loss of money received from a pension, retirement 6 plan or governmental program;
- 7 (5) The loss of property that had been set aside for retirement 8 or for personal or family care and maintenance;
- 9 (6) The loss of assets which are essential to the health and 10 welfare of the elderly person or person with a disability; or

11 (7) Any other interference with the economic well-being of 12 the elderly person or person with a disability, including the 13 encumbrance of his or her primary residence or principal source of 14 income; or

(f) Any other factors that the court , [or] the Director or his or
her designee or the Consumer's Advocate or his or her designee
deems to be appropriate.

18 **Sec. 6.** NRS 598.09735 is hereby amended to read as follows:

19 598.09735 1. Except as otherwise provided in NRS 20 598.0974, in any action or proceeding brought pursuant to NRS 598.0903 to 598.0999, inclusive, and section 1 of this act, if the 21 22 court, **or** the Director or his or her designee or the Consumer's 23 Advocate or his or her designee finds that a person has engaged in a 24 deceptive trade practice directed toward a minor person, the court, 25 **or** the Director or his or her designee or the Consumer's Advocate 26 or his or her designee may, in addition to any other civil or criminal 27 penalty, impose a civil penalty of not more than \$25,000 for each 28 violation.

29 2. In determining whether to impose a civil penalty pursuant to
30 subsection 1, the court , [or] the Director or his or her designee or
31 *the Consumer's Advocate or his or her designee* shall consider
32 whether:

(a) The conduct of the person was in disregard of the rights ofthe minor person;

(b) The person knew or should have known that his or herconduct was directed toward a minor person;

(c) The minor person was more vulnerable to the conduct of theperson because of the age of the minor person;

39 (d) The conduct of the person caused the minor person to suffer
40 actual and substantial physical, emotional or economic damage;
41 (e) The conduct of the person caused the minor person to suffer:

- 41 42
- (1) Mental or emotional anguish;

43 (2) The loss of money or financial support received from any44 source;





1 (3) The loss of property that had been set aside for education 2 or for personal or family care and maintenance;

3 (4) The loss of assets which are essential to the health and 4 welfare of the minor person; or

5 (5) Any other interference with the economic well-being of 6 the minor person; or

7 (f) Any other factors that the court , [or] the Director or his or 8 her designee or the Consumer's Advocate or his or her designee 9 deems to be appropriate.

10 3. As used in this section, "minor person" means a person who 11 is 17 years of age or younger.

**Sec. 7.** NRS 598.0979 is hereby amended to read as follows:

13 598.0979 1. Notwithstanding the requirement of knowledge 14 as an element of a deceptive trade practice, when the Commissioner or Director has cause to believe that a person has engaged or is 15 16 engaging in any deceptive trade practice, knowingly or otherwise, 17 he or she may request in writing that the Attorney General represent him or her in instituting an appropriate legal proceeding, including, 18 without limitation, an application for an injunction or temporary 19 20 restraining order prohibiting the person from continuing the 21 practices. The court may make orders or judgments necessary to 22 prevent the use by the person of any such deceptive trade practice or 23 to restore to any other person any money or property which may 24 have been acquired by the deceptive trade practice.

25 2. Where the Commissioner or Director has the authority to 26 institute a civil action or other proceeding, in lieu thereof or as a part 27 thereof, he or she may accept an assurance of discontinuance of any 28 deceptive trade practice. This assurance may include a stipulation 29 for the payment by the alleged violator of:

30 (a) The costs of investigation and the costs of instituting the 31 action or proceeding, including attorney's fees for the services of the 32 Attorney General;

(b) Any amount of money which he or she may be required to
pay pursuant to the provisions of NRS 598.0971 in lieu of any
administrative fine; and

(c) The restitution of any money or property acquired by anydeceptive trade practice.

38 3. Any assurance of discontinuance accepted by the 39 Commissioner or Director pursuant to subsection 2 must be filed with the court in the same manner as required by the Attorney 40 41 General pursuant to NRS 598.0995 and, upon acceptance by the 42 court, becomes an order of the court. An assurance of 43 discontinuance made pursuant to subsection 2 is not an admission of 44 guilt or liability for any purpose. [, except that any failure to



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1 comply with the provisions of the assurance is enforceable in the

2 same manner as provided in subsection 7 of NRS 598.0971.]

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Sec. 8. NRS 598.0999 is hereby amended to read as follows:

4 598.0999 1. Except as otherwise provided in NRS 598.0974, 5 a person who violates a court order or injunction issued pursuant to 6 the provisions of NRS 598.0903 to 598.0999, inclusive, and section 7 1 of this act, upon a complaint brought by the Commissioner, the 8 Director, the district attorney of any county of this State or the 9 Attorney General shall forfeit and pay to the State General Fund a civil penalty of not more than \$10,000 for each violation. For the 10 purpose of this section, the court issuing the order or injunction 11 12 retains jurisdiction over the action or proceeding. Such civil 13 penalties are in addition to any other penalty or remedy available for the enforcement of the provisions of NRS 598.0903 to 598.0999, 14 15 inclusive [], and section 1 of this act.

16 2. Except as otherwise provided in NRS 598.0974, in any action brought pursuant to the provisions of NRS 598.0903 to 17 598.0999, inclusive, and section 1 of this act, if the court finds that 18 19 a person has willfully engaged in a deceptive trade practice, the 20 Commissioner, the Director, the district attorney of any county in 21 this State or the Attorney General bringing the action may recover a 22 civil penalty not to exceed \$15,000 for each violation. The court in 23 any such action may, in addition to any other relief or 24 reimbursement, award reasonable attorney's fees and costs.

3. A natural person, firm, or any officer or managing agent of
any corporation or association who knowingly and willfully engages
in a deceptive trade practice:

(a) For an offense involving a loss of property or services valued
at \$1,200 or more but less than \$5,000, is guilty of a category D
felony and shall be punished as provided in NRS 193.130.

31 (b) For an offense involving a loss of property or services 32 valued at \$5,000 or more but less than \$25,000, is guilty of a 33 category C felony and shall be punished as provided in 34 NRS 193.130.

(c) For an offense involving a loss of property or services valued
at \$25,000 or more but less than \$100,000, is guilty of a category B
felony and shall be punished by imprisonment in the state prison for
a minimum term of not less than 1 year and a maximum term of not
more than 10 years, and by a fine of not more than \$10,000.

(d) For an offense involving a loss of property or services
valued at \$100,000 or more, is guilty of a category B felony and
shall be punished by imprisonment in the state prison for a
minimum term of not less than 1 year and a maximum term of not
more than 20 years, and by a fine of not more than \$15,000.





1 (e) For any offense other than an offense described in 2 paragraphs (a) to (d), inclusive, is guilty of a misdemeanor.

<sup>3</sup>  $\rightarrow$  The court may require the natural person, firm, or officer or managing agent of the corporation or association to pay to the aggrieved party damages on all [profits] gross revenues derived from the knowing and willful engagement in a deceptive trade practice and treble damages on all damages suffered by reason of the deceptive trade practice.

9 4. If a person violates any provision of NRS 598.0903 to 598.0999, inclusive, and section 1 of this act, NRS 598.100 to 10 598.2801, inclusive, 598.405 to 598.525, inclusive, 598.741 11 to 598.787, inclusive, 598.840 to 598.966, inclusive, or 598.9701 to 12 13 598.9718, inclusive, fails to comply with a judgment or order of any 14 court in this State concerning a violation of such a provision, or fails 15 to comply with an assurance of discontinuance or other agreement 16 concerning an alleged violation of such a provision, the 17 Commissioner or the district attorney of any county may bring an 18 action in the name of the State of Nevada seeking:

(a) The suspension of the person's privilege to conduct businesswithin this State; or

21 (b) If the defendant is a corporation, dissolution of the 22 corporation.

23  $\rightarrow$  The court may grant or deny the relief sought or may order other 24 appropriate relief.

If a person violates any provision of NRS 228.500 to
228.640, inclusive, fails to comply with a judgment or order of any
court in this State concerning a violation of such a provision, or fails
to comply with an assurance of discontinuance or other agreement
concerning an alleged violation of such a provision, the Attorney
General may bring an action in the name of the State of Nevada
seeking:

(a) The suspension of the person's privilege to conduct business
 within this State; or

34 (b) If the defendant is a corporation, dissolution of the 35 corporation.

36  $\rightarrow$  The court may grant or deny the relief sought or may order other 37 appropriate relief.

38 6. In an action brought by the Commissioner or the Attorney
39 General pursuant to subsection 4 or 5, process may be served by an
40 employee of the Consumer Affairs Unit of the Department of
41 Business and Industry or an employee of the Attorney General.

42 7. As used in this section:

(a) "Gross revenues" mean the total revenues derived from the
knowing and willful engagement in a deceptive trade practice
without deducting any expenses or losses.





(b) "Property" has the meaning ascribed to it in NRS 193.0225.

2 [(b)] (c) "Services" has the meaning ascribed to it in 3 NRS 205.0829.

(d) "Value" means the fair market value of the property or 4 5 services at the time the deceptive trade practice occurred. The value 6 of a written instrument which does not have a readily ascertainable market value is the greater of the face amount of the instrument less 7 8 the portion satisfied or the amount of economic loss to the owner of 9 the instrument resulting from the deprivation of the instrument. The trier of fact shall determine the value of all other property whose 10 value is not readily ascertainable, and may, in making that 11 12 determination, consider all relevant evidence, including evidence of 13 the value of the property to its owner.

14 **Sec. 9.** NRS 598Å.220 is hereby amended to read as follows:

15 598A.220 1. [An] Except as otherwise provided in NRS 16 11.245, an action brought under NRS [598A.170 or] 598A.200 is 17 barred if it is not commenced within 4 years after the cause of action 18 accrues, or if the cause of action is based upon a conspiracy in 19 violation of this chapter, within 4 years after the plaintiff 20 discovered, or by the exercise of reasonable diligence, should have 21 discovered the facts relied upon for proof of the conspiracy.

22 2. An action brought under NRS [598A.160 or] 598A.210 is 23 barred if it is not commenced:

(a) Within 4 years after the cause of action accrues, or if the
cause of action is based upon a conspiracy in violation of this
chapter, within 4 years after the plaintiff discovered, or by the
exercise of reasonable diligence, should have discovered the facts
relied upon for proof of the conspiracy; or

(b) Within 1 year after the conclusion of any action or proceeding brought under NRS 598A.170 or 598A.200 commenced within or before the running of the 4-year period as provided in paragraph (a) and which is based in whole or in part on any matter complained of in the action for damages.

34 3. For the purpose of this section, a cause of action for a 35 continuing violation arises at any time during the period of such 36 violation.

**Sec. 10.** NRS 11.245 is hereby amended to read as follows:

11.245 There is no limitation on the time in which an action
brought by the Attorney General against a person alleged to have
committed [a]:

41 *I. A* deceptive trade practice in violation of NRS 598.0903 to 42 598.0999, inclusive, *and section 1 of this act*, other than a deceptive 43 trade practice of the type described in NRS 598.09235, may be 44 commenced.



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1 2. An unfair trade practice in violation of chapter 598A of 2 NRS may be commenced. 3

**Sec. 11.** NRS 228.334 is hereby amended to read as follows:

4 228.334 1. After any reversion of money from the Consumer 5 Protection Administrative Account to the Consumer Protection 6 Legal Account in accordance with subsection 3 of NRS 228.332, the 7 Attorney General shall allocate the money in the Consumer 8 Protection Legal Account as follows:

(a) Fifty percent to the Office of the Attorney General or the 9 Consumer's Advocate, to be used for consumer protection and 10 efforts to prevent fraud, including, without limitation, education, 11 12 investigation, enforcement and litigation. [Beginning on July 1, 13 2023, the] The Office of the Attorney General or the Consumer's 14 Advocate, as applicable [:

15 (1) May], may use money allocated pursuant to this 16 paragraph to pay for **[necessary:]**:

17 (1) Necessary staff employed pursuant to NRS 228.330 for the Consumer's Advocate to carry out such consumer protection 18 and efforts to prevent fraud; [and] 19

20 (2) [If the amount of money in the Account that is allocated pursuant to this paragraph exceeds the amount required to pay for 21 22 120 days of operating costs for necessary] Necessary staff for the 23 Office of the Attorney General to carry out such consumer 24 protection and efforts to prevent fraud [, may use any such excess 25 amount of money for additional purposes]; and

26 (3) Any other additional purpose relating to consumer 27 protection and efforts to prevent fraud.

28 (b) Fifty percent to the following legal aid organizations, or their 29 successors, in the following percentages:

(1) Seventy percent to the organization operating the 30 program for legal services in a county whose population is 700,000 31 32 or more that receives the fees charged pursuant to NRS 19.031 for 33 programs for the indigent, to be used to provide legal services in a 34 county whose population is 700,000 or more;

35 (2) Nineteen percent to the organization operating the 36 program for legal services in counties whose population is less than 100,000 that receive the fees charged pursuant to NRS 19.031 for 37 38 programs for the indigent, to be used to provide legal services in 39 those counties; and

(3) Eleven percent to the organization operating the program 40 for legal services in a county whose population is 100,000 or more 41 42 but less than 700,000 that receives the fees charged pursuant to NRS 43 19.031 for programs for the indigent, to be used to provide legal 44 services in a county whose population is 100,000 or more but less than 700,000. 45





1 2. Each legal aid organization listed in paragraph (b) of 2 subsection 1 shall:

3 (a) Use the money received from the Account for consumer 4 protection and efforts to prevent fraud, including, without limitation, education and litigation; and 5

6 (b) On or before January 1 and July 1 of each year, submit a report to the Office of the Attorney General that includes a detailed 7 8 summary of all activities undertaken by the legal aid organization 9 during the previous 6-month period with the money received from the Account, including, without limitation: 10

11 (1) Activities relating to consumer protection and the 12 prevention of fraud;

13 (2) Litigation;

14

(3) Educational activities:

15 (4) Statistical information on the number of persons served; 16 and

17 (5) An accounting of the use of the money, including, 18 without limitation, the specific amount of money used for salaries, 19 costs and expenses.

On or before July 1 of each year, each legal aid organization 20 3. 21 listed in paragraph (b) of subsection 1 shall submit to the Office of 22 the Attorney General an audited statement regarding the use of 23 money received from the Account during the previous calendar 24 year.

25 The Office of the Attorney General is entitled to audit, 4. examine or inspect the books and records of each legal aid 26 27 organization listed in paragraph (b) of subsection 1 at any time 28 regarding the use of money received from the Account. 29

Sec. 12. NRS 228.380 is hereby amended to read as follows:

30 228.380 1. Except as otherwise provided in this section, the 31 Consumer's Advocate may exercise the power of the Attorney 32 General in areas of consumer protection, including, but not limited 33 to, enforcement of chapters 90, 597, 598, 598A, 598B, 598C, 599B 34 and 711 of NRS.

35 2. The Consumer's Advocate may not exercise any powers to 36 enforce any criminal statute set forth in:

(a) Chapter 90, 597, 598, 598A, 598B, 598C or 599B of NRS 37 38 for any transaction or activity that involves a proceeding before the Public Utilities Commission of Nevada if the Consumer's Advocate 39 40 is participating in that proceeding as a real party in interest on behalf 41 of the customers or a class of customers of utilities; or

42 (b) Chapter 711 of NRS.

43 3. The Consumer's Advocate may have access to all records in 44 the possession of any agency, board or commission of this State that 45 he or she determines are necessary for the exercise of the powers set





1 forth in subsection 1. The Consumer's Advocate does not have

2 custody or control of any record until the Consumer's Advocate

3 receives the record from the agency, board or commission of this 4 State.

5 4. The Consumer's Advocate may expend revenues derived 6 from NRS 704.033 only for activities directly related to the 7 protection of customers of public utilities.

8 5. The powers of the Consumer's Advocate do not extend to 9 proceedings before the Public Utilities Commission of Nevada 10 directly relating to discretionary or competitive telecommunication 11 services.

12 Sec. 13. This act becomes effective on July 1, 2025.





